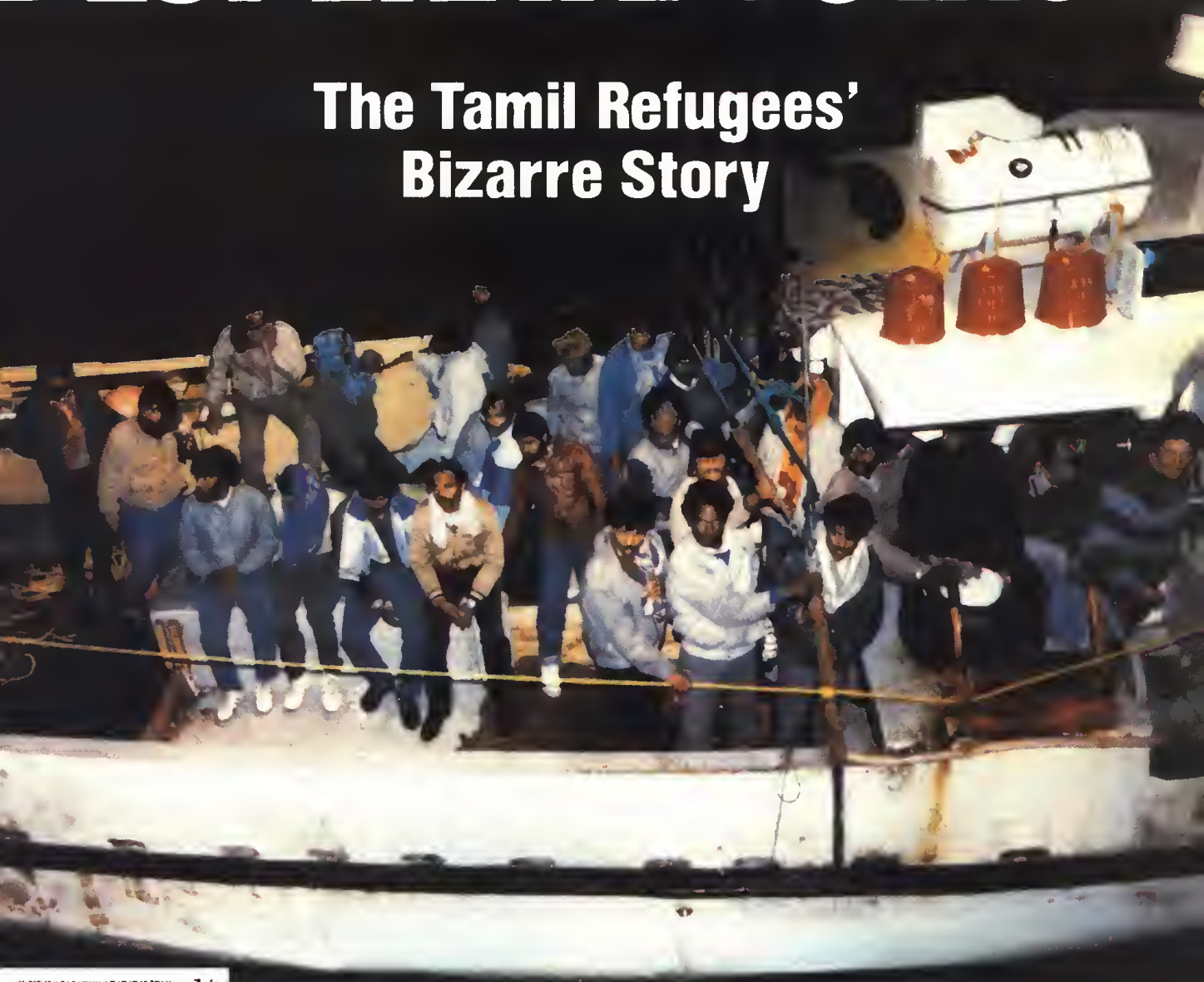
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UGUST 25, 1986 CANADA'S WEEKLY NEWSMAGAZINE $1.75

DESPERATE VOYAGE

The Tamil Refugees' Bizarre Story

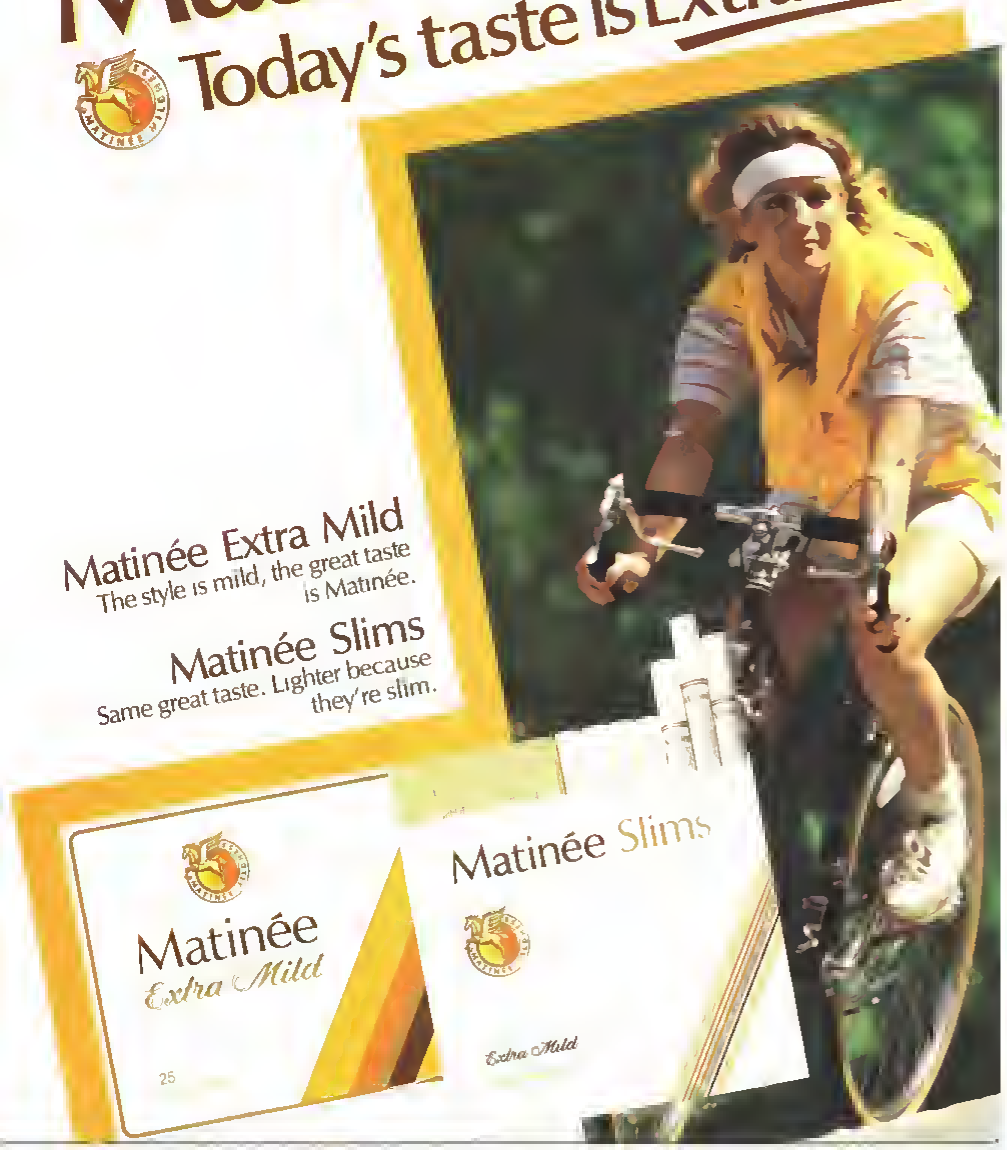


The castaways nearing St. John's, Nfld.

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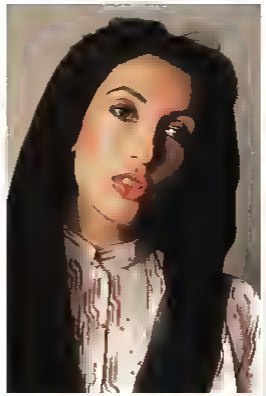
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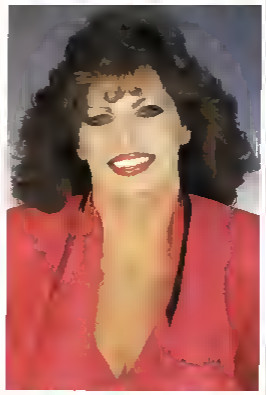
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AUGUST 25, 1986 VOL. 99 NO. 34



Bhutto's danger play

Violent protests led by opposition politician Benazir Bhutto presented the most serious challenge yet to the nine-year-old rule of Pakistani leader Gen. Zia ul-Haq. —*Page 24*



Heating up the small screen

Television's Micki Moore makes a clear change from syndicated talk show host to femme fatale this fall in a new dramatic series appropriately called *Hot Spots*. —*Page 36*

COVER

Desperate voyage

The saga of 155 Sri Lankan Tamils found adrift in two lifeboats off Newfoundland caught the world's attention. It also raised new concerns about the pressing global problem of the millions of people made homeless by war, persecution and pestilence. And in Canada the migration of the Tamils reopened debate about refugee policies. —*Page 8*

COVER PHOTO BY TOM ANSTEY VIA CANADIAN PRESS



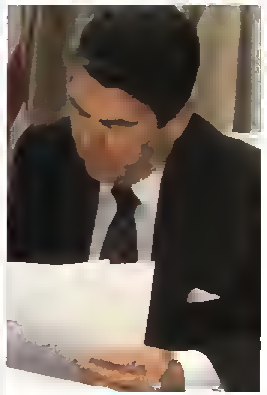
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Pop baptizes a new star

Whitney Houston is a shy former choir girl with strong roots in a Newark, N.J., Baptist congregation. She is also the world's best-selling black vocalist. —*Page 46*



A promise of fairer taxes

As U.S. congressmen finally reached an agreement on major tax reform last week, pressure mounted for a similarly sweeping tax overhaul in Canada. —*Page 30*



A terrible gamble

An ancient name for Sri Lanka was Serendip, from the same Arabic root as the modern word serendipity. And in many ways the events surrounding the Sri Lankan Tamils whom fishermen picked up from lifeboats off Newfoundland last week are best described as serendipitous. If the Tamils deliberately arranged to be found by the fishing boats in a desperate attempt to obtain admission to Canada, they took a terrible risk in the waters of the North Atlantic. Whatever the case, they miraculously avoided a major tragedy.

But as Montreal Bureau Correspondent Bruce Wallace and Halifax Bureau Chief Chris Wood, both of whom arrived in Newfoundland only hours after the initial reports of the rescue, reported, the mood on the island changed quickly. Said Wood: "The initial feeling was one of relief and euphoria. Then the temperament of reporters, at least, became more irascible at every meeting with the Tamil spokesmen. They refused to change their original story although it was being proven wrong consistently." Added Wallace: "For several days mystery compounded enigma, and contradiction followed inconsistency. The early goodwill evaporated as it became clear we had been systematically deceived."



Chief Staff Photographer Brian Willer (left), Wallace, Wood

Kevin Doyle

Maclean's August 25, 1986

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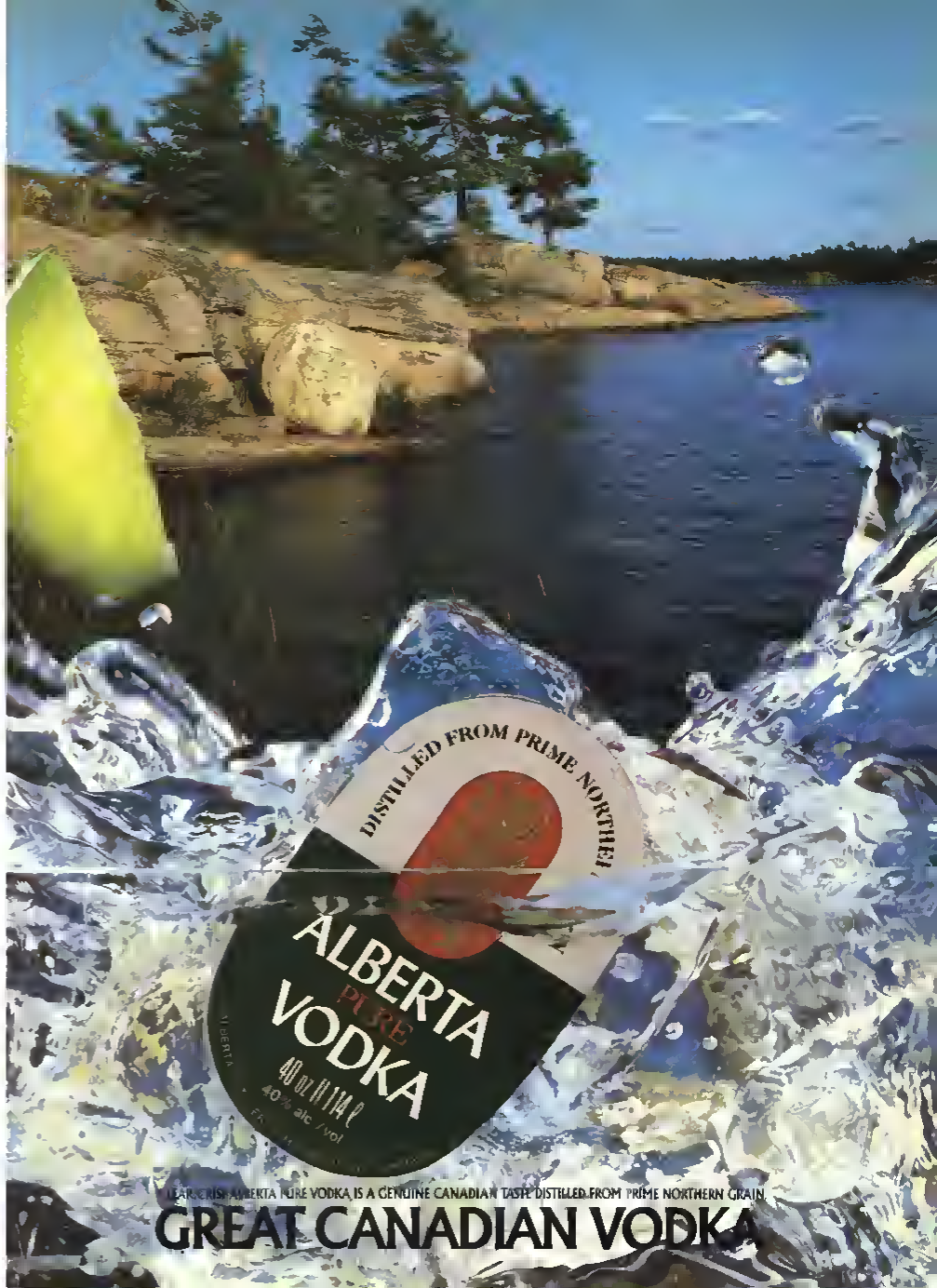
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LETTERS

Lower-order citizens

Your Aug 4 editorial ("A tarnished image") states that Canadian athletes who want to be "excluded from politics [are] in effect claiming for themselves a lower order of citizenship." In South Africa I am a lower-order citizen if my skin is not white. It appears that in Canada, according to *Maclean's*, I am a lower-order citizen if I do not agree with certain politicians' views. Is it not time for politicians and for magazines such as *Maclean's* to respect other people's views and to realize that boycotting whatever games are being held has never harmed anybody but the athletes whose hopes for winning had developed over many years of training? Our athletes can be our best ambassadors, and to suggest that they should be deprived of governmental financial assistance because of different political views is incomprehensible, if not plain distressing.

—DR. SAMEER EL DEIRY,
Yorkton, Sask.

The Commonwealth boycotts show the callousness and heartlessness of government leaders. Politicians have no right to deny athletes the right to compete. Boycotts accomplish nothing except to hurt athletes and the people who thrill to their achievements. It is hypocritical to fight for the rights of some by taking away the rights of others. Athletes have become a throwaway item in foreign policy manoeuvres.

—ROLAND HODOS,
Hamilton, Ont.

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JEFF VINNICK/TORONTO STAR

Canadian athletes ambassadors

An unwilling scapegoat

With reference to your article on the Winnipeg Commodity Exchange ("The shock of scandal," Business/Economy, July 28), it must be recognized that, in providing a marketplace for members to conduct their business, there is a presumption that member firms should not have employees intent on defrauding their employers. It is unfair to expect the exchange administration to detect the wayward employee who has achieved a position of such trust from his employer as to be empowered to trade on the commodity exchange. The scandal is in the individual houses. The exchange is an unwilling scapegoat.

—CLIFFORD E. SWARTZ
Chairman of the Board,
The Winnipeg Commodity Exchange,
Winnipeg

APOLOGY

In a June 23 cover story entitled "The Sikh connection," *Maclean's* did not mean to imply that Dr. Arjinderpal Singh Khalsa is in any way connected to terrorist activities or groups. He is not. The magazine apologizes and regrets any embarrassment that it may unwittingly have caused Dr. Khalsa.

CORRECTION

In the August 18 issue of *Maclean's*, a caption under a photograph of Charles Bronfman incorrectly identified him as Edgar Bronfman. *Maclean's* apologizes for the error.

Letters are edited and may be condensed. Writers should supply name, address and telephone number. Mail correspondence to: Letters to the Editor, Maclean's magazine, Maclean Hunter Bldg., 777 Bay St., Toronto, Ont. M5W 1A7

PASSAGES

DIED **Howard Jarvis**, 82, the millionaire California tax protester whose "Proposition 13" launched a national tax revolt, of internal bleeding after suffering from a blood clotting condition, in a Los Angeles hospital. Jarvis, a one-time newspaper owner, made the protection of property rights his life's mission after he was chosen to head a tax reform commission in his native Utah in 1929. In 1978, California voters overwhelmingly approved Jarvis's $7-billion property tax cut—hatched on a state ballot form as Proposition 13—setting off similar organized protests nationwide.

DIED **Paraskeva Clark**, 87, Russian-born Canadian painter widely recognized as one of the country's first creators of political art, following a stroke, in Toronto. During a career that began just after the Russian Revolution and ended in 1975, Clark painted more than 300 works. Her best known, the 1937 anticapitalist painting *Petrouschka*, hangs in Ottawa's National Art Gallery along with a self-portrait.

DIED **Yehoshua Cohen**, 64, a leading member of the right-wing Stern Gang guerrilla group which fought for Israel's independence in the 1940s, and one of three members directly linked to the 1948 assassination of United Nations Arab-Israeli mediator Count Folke Bernadotte, after a heart attack, at the Negev desert kibbutz of Sde Boker.

DIED **Way Bandy**, 45, one of the fashion industry's top makeup stylists and best-selling beauty book author, of an AIDS-related infection, at the New York Hospital-Cornell Medical Center in New York City. Bandy, who worked with top photographers such as **Richard Avedon** and **Francesco Scavullo**, also counted among his personal clients **Nancy Reagan**, **Elizabeth Taylor** and **Lee Radziwill**.

ELECTED: **Anne Squire**, 65, as the moderator of the United Church of Canada, by the 370 members of its 31st General Council, in Sudbury, Ont. The Amherstburg, Ont., grandmother becomes the first nonordained woman to head Canada's largest Protestant denomination.

ARRESTED Sikh militant **Gurmej Singh Gill**, the self-styled prime minister of the proposed separate Sikh republic of Khalistan, by United States customs officials, in Seattle, after he was denied entrance to Canada by Canadian immigration officials at the Douglas, B.C., border crossing near Vancouver. American authorities dropped a planned deportation hearing following Gill's withdrawal of an application to enter the United States.



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Angels in Vancouver

I wish to protest the abusive treatment of the Guardian Angels in "The Angels' challenge," (Follow-up, June 30) You failed to mention the strongest Canadian Guardian Angel chapter—in Vancouver. It is three years old and 30 members strong. The Vancouver chapter survived and grew because we concentrated on being friendly and helpful. We do not have to be the toughest group in Canada, that distinction belongs to the B.C. Lions. Contrary to popular belief, the Angels in Canada receive their strongest opposition not from the public or from safety officials but from the media.

—SEBASTIAN METZ
Chapter Leader, Vancouver Guardian Angels, Vancouver

Crowing on a high fence

As a Canadian reading a supposedly great Canadian magazine, I was utterly dumbfounded by the miserable coverage you gave Gail Greenough, the world gold-medal show-jumping champion (Passages, July 28). She got one paragraph between two obituaries. This Edmonton gal did a great job of overwhelming the top male riders of Britain, France and the United States. For heaven's sake, when we have a great Canadian feat, we should get on a high fence and crow.

—IRENE SOUTHWARD,
Victoria

Refreshing objectivity

Thank you for your article "Revolution under siege," (World, July 28). Your writers presented the most balanced and objective report that I have ever read concerning Nicaragua. It was refreshing to read an article which was written neither by Sandinista apologists nor contra advocates.

—DARRYL GREEN
Victoria

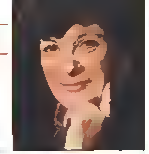
Resources in scholarship

As a teacher of Russian at the university level, I was pleased to read *Maclean's* balanced cover story "Moscow's new look" (July 21). As a scholar engaged in research on the Soviet Union, however, I was disappointed not to see any references to Canadian scholarship on the U.S.S.R. Scholars from Newfoundland to British Columbia have made major recognized contributions to our understanding of the Soviet Union. This considerable experience and research is an invaluable resource which Canadian Slavists hope to see better exploited by our news media.

—PAUL M. AUSTIN
President, Canadian Association of Slavists, Montreal

COLUMN

Signals of a looming depression



By Dian Cohen

Economists know so little about how the economy works that they are still arguing about what tipped the world into the Great Depression almost 60 years ago. So it is less than reassuring when economists tell us—as they do with stunning regularity—that a depression cannot happen again. There is enough evidence around to suggest that we need a less sanguine attitude.

Although history never repeats itself exactly, the similarities to the 1920s are remarkable: the stock market defies gravity even though corporate profits decline, real estate is booming in urban centres like Toronto and Montreal while land values plummet in the West. And commodity prices are falling. While the inflation rate has not yet become a deflation rate in North America, it has become so in Japan and West Germany. And there has never been a deflation without a depression.

Some analysts believe that a depression will happen simply because 60 years have passed since the last one. "Long wave" theories of economic development suggest that revolutionary technological changes (revolutionary because they change the way people do business) take 50 to 70 years to mature and decline. Theorists mark one cycle which extended from the late 19th century to the end of the 1920s. Then another began and peaked in the 1960s. Since then, every recession has plunged lower and each recovery has started with a higher level of unemployment. That suggests that we are now in the trough of a long wave—heading to depression—because business cycles are having to revolve around a declining economy. But "long wave" theory is not highly regarded among Western economists. I am concerned that we dismiss the possibility too readily.

Conventional wisdom that "it can't happen again" is based on several assumptions. The stock market, for example, cannot crash, because borrowing to buy stock is tightly regulated. True. But today's world of high finance is fraught with danger—arbitrage, leveraged buyouts, junk bonds, futures options and currency swaps, all of which encourage boom and bust.

Governments are much more active in controlling the economy, we are told. Dozens of automatic stabilizers exist which would maintain people's incomes and purchasing power if the economy goes into a tailspin. In the 1930s there were no protective social benefits such as unemployment insurance, old age security, income supplements, family allowance, child tax credits, public pensions, government bailouts and welfare. True. But these stabilizers don't work as well now as 20 years ago, when recessions were short-term, when big business could be counted on to create jobs and when unemployment went back to its "full employment" level each time the economy blossomed into recovery. Now, four years into an economic recovery, vast regions in Canada and the United States are in deep recession, big business in both countries is not able to add jobs to the labor market, and unemployment, in Canada at least, is still hovering around 10 per cent.

In fact, governments are under enormous pressure after 15 years of unanticipated shocks (oil prices and inflation up and down, structural unemployment) which have drained federal treasuries around the world. Oil producers and farmers are in desperate straits and governments can't help.

Some analysts believe that a depression will happen simply because 60 years have passed since the last one

Now let me make the case that a depression could happen again. Commodity prices have been falling for several years. That is why inflation is falling. Conventional wisdom says that, ultimately, lower prices will be a good thing. But that assumes that prices will stabilize soon, and at rates higher than they are now. The biggest problem with that theory, however, is that it isn't happening. Not only have prices fallen, but today hundreds of billions of dollars of debt have accumulated—because of the assumption that prices would continue to go up. Now the debts cannot be repaid. The value of the collateral put up to secure the debt has diminished so much that it now threatens bankruptcy for the debtors and the creditors and suddenly the whole economic premise for many business ventures has disappeared.

At $5 a barrel for oil, or $2 a bushel for wheat, or 40 cents a pound for copper, it is quite possible that a dozen or more indebted companies and nations will repudiate their debts. It is quite unclear how either banks or governments will pick up the pieces. The Canadian government is $30 billion in debt; the American government is $230 billion in debt. Risky loans at today's commodity prices total far more than the combined bank accounts of the North American banking community's deposit insurance: the Canada Deposit Insurance Corporation has $54 million in the bank and the U.S. Federal Deposit Insurance Corporation has $18 billion in the bank. Debtors have no place to turn if they run into trouble.

Aside from this, there are two other worrisome items. The first has to do with buying habits. When prices and interest rates were rising throughout the late 1960s and 1970s, consumers and business firms alike contributed to the spiral by buying and borrowing, pushed by the fear that if they waited, they would never be able to afford what they wanted. Now, as prices and interest rates fall, people are delaying purchasing and borrowing decisions, waiting for even lower levels.

In addition, there is evidence that the middle class—that great reservoir of buying power—is shrinking. The number of people living in poverty has grown to 17.3 per cent from 14.7 per cent of the population in 1981. At an average of $10,000, the annual income of the poorest families is $1,000 less than it was in 1981. Rich families share 39.5 per cent of the national income, up from 38.4 per cent in 1981.

Finally, there are the trade barriers. In 1933 virtually every trading nation in the world passed tariff legislation designed to save jobs at home by keeping imports out, and in Canada the value of trade became one-third its level of 1928. Today the world is even more interdependent than it was then, governments struggle to keep trade growing, but nearly every country in the world is trying to export by cutting prices and profit margins, while restricting imports. Although economists cannot agree on what caused the last depression, they do concede that less world trade means lower incomes and standards of living for everyone.

Can it happen again? Sure it can. Can we prevent it? Possibly, if we acknowledge that it *could* happen.

Dian Cohen is a Montreal-based economics writer

DESPERATE VOYAGE

CANADA/COVER

The four Newfoundland fishermen aboard the Atlantic Reaper were hauling in nets heavy with cod esrly last week when eerie sights and sounds emerged from the dense fog Less than half a kilometre away two fibre glass lifeboats, powerless and lashed together, bobbed on the light ocean swell. A throng of dark-skinned people shouted and waved for halp. Skipper Gus Dalton and his crew abandonad eight nets—along with most of their catcb—and raced to ths rescue. Thsy found 155 peopls—145 man, four women and six children ranging in age from 10 months to 10 years—floating less than 10 km from the jagged shore of St. Mary's Bay on the southeast coast of Newfoundland. The fishermen lashed the boats to the sides of their long-liner and helped aboard the women, the children and the most seasick of tha men. Recountsd crswman John McEvoy, 22: "They wanted to know, right away, 'wss it Canada?' " But ea the castaways clambered on to the Atlantic Reaper, they brought with tbem a deeper issue for Canadians even es the government tries to decide how welcomng Canada should be to ths world's homeless.

Meagra: The new arrivals were Hindu Tamils from tbe troublad island nation of Sri Lanka Throughout most of last week they maintained that they had begun their voyage in India, Sri Lanka's neigbbor, on July 7 or July 8 onboard a ship they could not identify. They claimed they spent ths next month in ths ship's hold, eating meagre meals of boiled rice served by crewmen, until they were loaded into ths lifeboats off the Newfoundland coast three days before they were rescued And they wanted refugee status, eaying they wers fiesing Sri Lanke's sthnic violence, which hes claimed 4,000 lives since 1983 Their pitiful story captured the world's attention and wonder—a saga of desperate people, adrift on the high seas, seeking freedom from strife and persecution.

But as tha week continued, tbeir tale unravelled. Strong evidence emergad that the Tamils travelled to Canada from West Germany to take advantage of this nation's more liberal refugee laws. Then, on Saturday night in Montreal the refugees acknowladged that the group had indeed eailad for Canada from West Germany. Except for one who had been staying in Frence and another in Switzerland, the other 153 Tamils had been in West Germany for periods between "a few months" and two years "We dceply regret not having been open and forthright at the outset," said refugee Nallab Wiyayanathan, 46, who acted as spokesman for 30 refugees present at a press conference in Montreal "We were under severe physical and mental stress. Our motivation was our desperation in our search for a permanent home."

As recounted by members of ths Eelam Tamil Association of Quebec, they convened a meeting with some of the refugees on Friday night at association headquarters in downtown Montreal There, in a second-floor room of the rickety former church building, the refugees confessed that they had made up the story about voyaging directly from India. Some refugees broke down and cried, thsy said On Saturday, after informing the RCMP and Gerry Weiner, minister of stats for immigration, they callad ths press conference in ths same building Their spokesman said that they had been afraid to tell the true story at first because the German-speaking captain of the ship that brought them from West Germany had warned them that thay would be sent back to Sri Lanka if tbs true dstails became known.

Harrowing: According to refugee Shan Tuvanendran, 24, ths journey from Germany to Newfoundland was harrowing enough They were kept below decks—and threatened with shooting if they emerged—and had no beds and little food. On the lifeboats, which the ship cut loose after towing them for a time, they feared for their lives.

The doubts about their first story had begun almost from the time they had been pluckad from the Atlantic For one thing, RCMP investigators expressed doubt that the Tamils had been adrift in open boats for five days, noting that their clothes wers dry For another, a Sri Lankan translator living in St. John's added that ths refugees were carrying West German currency, trinkets and newspapers as well as French and German address books, and they wers wearing Western-style clothes. Then, a West German politician, Rudolf Fischer, a member of the Lower Saxony state parliament, reported that some apartments that had been occupied by Tamil refugees in the suburbs of Hamburg had been abandoned. Finally, Hamburg police confirmed that they had arrested two 37-year-old Tamils who admitted that they had organized the smuggling. A Turk was also arrested.

On Friday, Hamburg Police Chief Dister Heering told a press conference that the Tamils had delivered $3,350 each to tbe smugglers in return for passage on tbe Aurigee, a 425-ton coastal freighter registered in Honduras The Canadian government, ha said, was arranging an international warrant for the arrest of the Aurigae's captain and owner, 45-year-old Wolfgang Bindel of Elsfleth, West Germany. Police said that Bindel received about $475,000 for the clandestine trip. When a West German television station reported that it had located ths Aurigae off the Azores in the Atlantic west of Portugel late last week, Bindel refused to comment on the charges.

West German police reported that they learned about the voyage in a roundabout fashion. First, Canada's consul general in Hamburg, Dennis Baker, received an anonymous telephone tip on July 25 that a boatload of Tamils was leaving for Canada. "I took [the caller] seriously, because it did not seem unlikely to me that some people seeking asylum would attempt to get into Canada," Baker told *Maclean's* "The fact that they were not allowed to get work in Germany may have driven them." Although Baker notified both Canadian and West German authorities, the ship eluded police because they did not know the departure port or the name of the vessel.

Police received more clues after the refugees left the small port of Brake on the Weser River on July 28. Although 192 Tamils paid for their passage, only 155 could crem into the small hold for the miserable 14-day voyage. Tha abendoned Tamils complained to West German authorities—and provided the name of a fellow Tamil who bad organized the voyage Said police spokesman Bernd Metterbausen "They were very angry The ship had left without them But they knew what they were doing was illegal." When police found the organizer, he had been seized by another group of Tamils who had been left behind after paying for passage. West German authorities also discovered that additional shipments of Tamils to Canada were plannad Thsy said they had hoped the public would not learn about the 155 Tamils so that they could seize all tbe organizers during tbe next shipment.

'Persecution': But ea the evidence of a refugee smuggling operation mounted, Immigration Minister Benoît Bouchard granted ministerial permits to the Tamils to stay and work in Canada for a year. Then, tbe federal government flew them to Montreal and Toronto, where many have relatives and friends in thriving Tamil communities Declared Weiner, the minister of state for immigration "There will be no question of them being esked to leave our shore." Later, ha added "When you are desperate, you are going to tell a story The sheer drama of people in a boat, the desperation they must have felt, the persecution they were escaping—I am just so proud ea a Canadian



Mother and child in St. John's: seeking freedom



Arrival in Newfoundland; Wijeyanathan (below). 'I am telling you the truth'



that I could have been involved."

Fear: Despite that welcome, the Tamils' unorthodox arrival caused problems for the government of Prime Minister Brian Mulroney. As Weiner pointed out, the government wants to ensure that "our shores can be available to those that are legitimate refugees with legitimate claims." It would be legally difficult to deport the Tamils since Canada's ruling in September, 1983, that it would not return Tamils to strife-torn Sri Lanka. And even though the Tamils came through West Germany, they could still fulfil the legal definition of a refugee: any person with a "well-founded fear of persecution for reasons of race, religion, nationality, membership in a particular social group or political opinion."

But Ottawa was also concerned that the warm reception could encourage other refugees to smuggle themselves into the country—and perhaps lie about their voyage. At least five Conservative MPs reported that their constituents were furious about the decision to let the Tamils live and work in Canada. Declared powerful Tory MP Donald Blenkarn, who represents the suburban Toronto riding of Mississauga South: "I sense very strong objections to allowing people in who cheat the system and break the law." Some media commentary was equally critical. *The Vancouver Sun* noted, "There is a difference between being compassionate and being a sucker." After a daylong cabinet meeting, Bouchard warned that Canada will review its refugee policy if other groups follow the Tamils' example. "We have a tradition of hospitality in Canada, but at the same time Canadians are getting to be perhaps a little more prudent, and they want politicians to see exactly what is the involvement of such an adventure," he said.

The political questions, and the suspicions about the first tale told by the refugees, began soon after the Atlantic Reaper lashed the small lifeboats crammed with excited refugees to its starboard side. When skipper Dalton realized that he could bring only a third of the refugees on board his 42-foot vessel, he radioed for help from three nearby long-liners, the Mary Theresa, the Beckford and the Mona B. And he alerted the Canadian Coast Guard marine radio base at St. Lawrence, Nfld., about his find. Recalled Coast Guard spokesman Bruce Reid: "It was like, 'You have got what? Where? Is this a joke? This cannot be real.' " The Coast Guard told Dalton to await the arrival of a Canadian fisheries patrol boat, the 300-foot Leonard J. Cowley. Since the Atlantic Reaper carried extra food and water in case of emergencies, Dalton's crew heated food in the small galley and served loaves of bread, meatballs, Irish stew, potted meat, cream of wheat, sardines and beans. He passed two five-gallon buckets of water to the passengers remaining in the lifeboats—and they came back empty. An hour after Dalton radioed for help, the three fishing boats arrived on the scene.

For the next four hours the four vessels awaited the arrival of the Leonard B. Cowley—and peered at a puzzling image on their radar screens. As Dalton later told *Maclean's*, it appeared that a vessel between 200 and 300 feet long stood off in the fog about five miles from the Atlantic Reaper. When Dalton steered his vessel to the northeast in search of more sheltered waters, the mystery ship shadowed him. "It seemed like he was following us," recounted Dalton, who assumed that the vessel had set the refugees adrift. The fishermen alerted the St. Lawrence radio base which, in turn, told the Leonard B. Cowley. But as the Cowley approached, the mystery ship image melted into the fog—and off the radar screens.

Meanwhile, the Cowley headed toward St. John's—and 12 hours after it plucked the refugees from the fishing boats, it slipped into port. Immigration, health and RCMP officials boarded the Cowley for a quick examination. Then, 10 refugees were taken to hospital—and the remainder were taken to RCMP headquarters, where the Mounties photographed and fingerprinted them and checked their identification. Only one had a passport. The refugees were billeted in two empty residences of Memorial University of Newfoundland in St. John's. For the next two days five interrogation teams—each consisting of an RCMP officer, an immigration official and an interpreter—laboriously interviewed the Sri Lankans.

Throughout those two days, the refugees steadfastly—and often angrily—insisted that they had left for Canada from India. They told both Canadian authorities and journalists that they were fleeing the savage ethnic conflict between Sri Lanka's Sinhalese majority and the island's Tamils. Marine engineer Kandasamy Lingaratnam, 31, told *Maclean's* that a friend arranged his trip with an agency called "Ramasamy" in Madras, India. He said he spent 30,000 rupees ($3,300) for his passage—but did not have enough money to pay for his wife and child, who stayed in India. He said he hoped he could bring them to Canada now.



Refugees at Red Cross centre in St. John's: boiled rice and water at sea

Starved: As Lingaratnam recounted, he sailed the 22 miles from Sri Lanka to India in a small boat. He stayed with friends for two days until an agency car took him to a large cargo ship. He said he did not know the ship's name—or the origins of the vessel or its crew. During the voyage, he added, Oriental crewmen kept all of the refugees below deck—and fed them only boiled rice and water. Finally, the captain put them in lifeboats with 20 to 25 life jackets, a few gallons of water and a flare gun—and pointed them in what he said was the direction of Montreal. But the small motor on a lifeboat malfunctioned and they drifted in the fog for five days. "It was raining and very cold," Lingaratnam claimed. "After two or three days many people could not talk. They were starved and they were sleeping. I thought we were going to die."

But while the Tamils stuck to their story of a passage from India, there were contrary reports out of Hamburg. For one thing, a self-described "adviser to asylum seekers," Waldemar Steen, 61, announced that the Tamils came from refugee accommodation in Hamburg—and that they had paid more than $4,000 to leave from Calais, France, on July 27 aboard a Lebanese freighter. For another, Fischer, the member of the Lower Saxony state assembly, announced that several suburban apartments in Hamburg occupied by Tamils were now empty—and some Tamils had not picked up their welfare cheques.

Suspicions: As the suspicions deepened, 17 Tamils, including a wide-eyed baby nibbling diet mints, attended a press conference in St. John's on Wednesday where spokesmen defended their story. Wijayanathan—who three days later in Montreal was to relate a different story—said that the group had a Hamburg newspaper dated June 27, German marks, European clothes and German pencils because Tamils in Europe sent those objects back to Sri Lanka before their July departure from India. He added that in the Sri Lankan capital of Colombo, "you can buy everything in the black market." Said Wijayanathan in St. John's: "We need not lie—I am telling you the truth. Why don't you people believe us?" When reporters persisted in their questions, he snapped: "Do you all know what is happening in Sri Lanka, why Tamil people are sacrificing themselves?"



Skipper Dalton, refugee Joseph Rajah (below) shadows in the fog



Despite that denial, the evidence out of West Germany continued to accumulate against the refugees' story. Two Tamils living in the community of Jork, near Hamburg, said that they recognized several friends who had lived in West Germany from television footage. Brothers Sivaganam and Parandamen Pathmasivalaban told reporters that they spotted a five-member family by the name of Nadarajah and another man, Vaithyanathy Perinparajah. RCMP officials confirmed to *Maclean's* that both the family and Perinparajah were among the group in Canada.

Maclean's traced the trail of six of the Tamils in Canada back to an apartment above a nursery school on the outskirts of Jork. The apartment is in a three-storey, 19th-century brick building owned by the town council. It includes a small kitchen with a stove—but no refrigerator—a modern bathroom and two other rooms. Seven Tamils—two single men and a family of five—lived there. Six were among the refugees who arrived in Canada last week. A downstairs neighbor told *Maclean's* that the group left during the last week of July. "They never told us they were leaving. They used to laugh and sing a lot. But they were also lonely, being so far from home."

Hatred: Steen added that one of the Tamil refugees told him in early July that he was planning to leave for Canada. He said the Tamils felt that the Germans would never accept them—and that there was too much hatred against foreigners. "He said he did not like the tension here," Steen recounted.

Tensions are simmering between despairing asylum-seekers and their West German hosts. More than 42,000 Third World refugees—including Indians, Ghanaians, Lebanese and Iranians—have flooded into West Germany during 1986. And most arrive in West Berlin from Communist East Berlin, claiming protection under a clause in West Germany's constitution that provides asylum for foreigners with a well-founded fear of political oppression in their homelands.

Their arrival has sparked a major

diplomatic row with East Germany—and triggered both racial unrest and demands for tougher asylum laws. The refugee flow stems from the unique legal situation in divided Berlin. Because the combined U.S., French and British military command in Berlin's western sector refuses to formally recognize the forced division of the city, the nation's representatives refrain from barring the entrance of Third World refugees from the East. And it appears that East Germany is actively encouraging the refugees' passage. Last month a West German interior ministry spokesman, Michael-Andreas Butz, charged that the East German airline Interflug was running advertisements in countries such as Ghana, offering comfortable flights to East Berlin and guaranteed passage to the West.



Refugee lifeboat arrests in West Germany and a warrant for a freighter

The social strain is showing. There are now 130,000 asylum seekers in West Germany—and a three-year backlog of more than 80,000 to 90,000 applications. German authorities take the refugees into custody when they arrive in West Berlin—and seize their passports. Then they divide the refugees among the country's 11 states, which divide them up among local governments. Those governments house the refugees—and provide them with monthly welfare payments for food and pocket money. The refugees are not allowed to work, and they are not permitted to travel outside the area to which they are assigned. Only 20 to 25 per cent of the requests for asylum are eventually granted. But the bill for keeping the refugees while their cases are decided could hit more than $1.6 billion in 1986. Temporary lodging facilities are crammed—and public hostility against foreigners is growing.

Backlog: Life is better for the up to 16,000 Tamils in Canada, the majority of whom are in Montreal and Toronto. Since Sri Lanka became a refugee-producing nation in 1983, Canada has not deported Tamils—even if it refuses to grant refugee status to them. Last year more than 1,500 Sri Lankans asked for that status—and 48 per cent of those requests have already been granted. In the meantime, the refugees can live—and work—in Canada. And unlike West Germany, there are no restrictions on their travel.

Last May, former minister of state for immigration Walter McLean introduced changes to clear up the backlog of 20,000 cases—and to speed up the refugee determination process (page 18). He also introduced proposals for changes to the Immigration Act under which immigration officials would be able to short-circuit a claim if the prospective refugee already has the right to enter another country and receive refugee status. Although immigration officials sent fingerprints and photographs of the Tamil refugees to West German police, Immigration Minister Bouchard ruled out the possibility that they would be sent back to Germany if they had refugee status there. He added, "I would really hope that we could let them live their own life in Montreal and Toronto."

Amid the controversy, Ottawa paid to fly 93 Tamils from St. John's to Montreal and 61 to Toronto on Thursday (one man remained in hospital in St. John's). And in both cities, despite the contrary evidence, both the newcomers and representatives of the Tamil communities at first stuck to their stories—and denounced the media for questioning them. In Montreal on Friday, a press conference disintegrated into a shouting match when Selva Ponnuchamy, the president of the Eelam Tamil Association, said that the refugees spent only three days and two nights in the lifeboats—and insisted that the refugees had never said that they spent five days adrift.

In Toronto, Chris De Silva, a researcher for the Toronto newsletter *The Sri Lanka Review* said that Canadians should ignore how the refugees arrived—and treat them as people fleeing persecution. He declared "If you had escaped from Germany in the Second World War, you would not tell everyone what route you had taken. It is like an underground railroad—how you get here is not important."

Shameful: Such advice complicated politicians' decisions about how Canada could remain open to refugees and closed to smugglers' abuses. Weiner cited as shameful such episodes in the past as Canada's refusal in 1939 to admit desperate Jews from Hamburg on board the passenger liner St. Louis. The minister of state for immigration vowed, "Never again shall boatloads of refugees be turned around as they once were." But as some Tory MPs declared last week, many constituents were also angry that the Tamil smugglers selected Canada because they were certain of a warm welcome. Declared Calgary East MP Alex Kindy: "Many legitimate applicants [are] getting hassled while these people are allowed into Canada right away—people say that system is unfair." Clearly, the controversy surrounding the Tamils will color the debate in Ottawa as politicians try to balance the painfully conflicting demands of fairness and humanity in Canada's immigration policy.

—MARY JANIGAN with CHRIS WOOD, BRUCE WALLACE and PAT ROCHE in St. John's, ANN FINLAYSON in Toronto, ROSS LAVER in Hamburg, BRIGID JANSSEN in Paris and HILARY MACKENZIE and DAVID LORD in Ottawa

WITNESS TO A NIGHTMARE

While the Tamils who landed on Canada's east coast last week changed their story of the route they took, there is no doubt that in their Sri Lankan homeland members of the Tamil minority fear persecution by the ruling Sinhalese. Maclean's Montreal bureau correspondent Bruce Wallace spoke to some of the newest members of the Montreal Tamil community.

For Marimuthu Thavarajah, the nightmare began in April, 1978, with a late-night knock on the door of his stone cottage in the northern Sri Lankan farming village of Chankanai. While his wife and two young children watched, six Sinhalese policemen arrested Thavarajah for conspiring with Tamil militants against the Sri Lankan government and took him to jail. There, he says, they banged him by his feet with ropes, held his face down on a table and beat his heels with a bat. Tamil villagers found Thavarajah, then a 28-year-old truck driver, by the roadside where he had been abandoned for dead and drove him 10 km to Jaffna General Hospital where he recovered. But Thavarajah—one of 155 Tamil refugees to seek asylum in Canada last week—said his life remained in peril as long as he stayed in Sri Lanka. From the Montreal hotel room where he spent his first night in his new city, Thavarajah told *Maclean's*: "Chankanai was the home of my family for generations. But living in safety is more important."



Kumaradava (left) and Rajasaivan living in fear of indiscriminate violence

Escape: Most of the lifeboat passengers found drifting off the Newfoundland coast last week were young adult male Tamils. Like many of them, said Thavarajah, he lived in constant fear of what he described as increasingly indiscriminate violence by the Sri Lankan military. In his desperate bid to escape, Thavarajah left behind his family and carried no mementos of his former life—he even sold his wedding ring to finance the trip. Despite the warm greeting by the Montreal Tamil community, refugees like Thavarajah face the difficult task of learning two new languages and finding jobs. Said Prins Rajaselvan, 38, an unemployed air cargo manager who flew from Colombo to New York via London before crossing into Canada on a Greyhound bus last February: "Sometimes I get up in the morning and wonder what to do with the rest of my day. I do not want to be a burden on society."

Thavarajah said that local fishermen in Sri Lanka will often rent their boats to escaping Tamils. Last January, Thavarajah decided to join the exodus as the first step in his plan to move his family out of Sri Lanka. After travelling north to a tiny coastal fishing village, he shipped on to a fishing boat at night along with five other Tamils to cross the 22-mile Palk Strait to India. "The army often shoots at the boats," said Thavarajah. "But there are sympathetic people who will take you for the cost of fuel."

Thavarajah said he spent one month in an Indian refugee camp, then travelled north to live with friends in the coastal city of Madras. He claimed that last month he paid 30,000 Indian rupees ($3,300 Cdn.) for his journey to Montreal. Thavarajah said that his group travelled on the upper deck of a ship and had no contact with the crew or other refugees below. When they were dropped overboard in lifeboats into the Atlantic, he and his fellow refugees thought that they were close to shore. "We were cheated," he said.

Violence: Still, many observers say that as long as the violence in Sri Lanka continues, Tamils will find inventive ways to leave the country. "My aim was to go anywhere as long as I left the shores of Sri Lanka," said Lakshmanan Kumaradeva, 30, who escaped last May escorted by two elderly women. "I pretended I was off my nut to get past military checkpoints," he recounted.

But problems persist among the swelling ranks of Montreal's Tamil refugee community. Even well-educated and skilled Tamils have had difficulty finding suitable work and monthly welfare payments for single people under 30 are only $163. Said Selva Ponnuchamy, president of the Eelam Tamil Association in Montreal and an employed chemist: "Tamils will do any kind of work. But many of us are accountants and engineers, so the frustration grows." Still, those obstacles seem mundane to refugees whose memories of violence remain vivid. Said 23-year-old Ravi Raveenthiran, who arrived in Montreal last year: "I hope for marriage and I hope to go back to school. But for now at least I am safe."



Tamil prisoners guarded by government soldier; Jeyawerdene (below). minority demends for e seperate nation

VIOLENCE IN A PARADISE

COVER

To the Western tourists who used to flock to the verdant island off the southern tip of India, Sri Lanka seemed like a tropical paradise. The Sinhala-language words Sri Lanka mean the "resplendent land," and biblical scholars once identified the island as the probable site of the Garden of Eden. The British who ruled the island, and exiled it Ceylon, knew it as a land cultivated by a smiling, easy-going people. But in the past three years intercommunal fighting between the minority Tamils and majority Sinhalese who inhabit the island has frightened away the Western tourists. The modern resort hotels are now empty and neglected along the deserted coasts. A civil war has turned the Garden of Eden into a killing ground.

Since the fighting began between the country's 2.8 million Tamils and 11 million Sinhalese in July, 1983, more than 4,000 people have died and 150,000 have been left homeless when their villages were burnt down. Tens of thousands of others, like the 155 Tamils rescued off Newfoundland last week, have fled from the island. Militants within the Tamil community, which is clustered around the northern city of Jaffna, have demanded a separate state. Members of the Sinhalese-dominated government of Prime Minister Junius Jayawardene, 79, have held negotiations with moderate Tamil politicians. But continuing attacks by guerrillas—and savage reprisals from government troops—have overshadowed efforts to find a peaceful solution.

Imbalance: Although government officials announced last week that they were close to a settlement with members of the moderate Tamil United Liberation Front (TULF), the civil war continued. Outlining a plan to devolve power to elected councils in the island's nine provinces, Sri Lankan Information Minister Ananda Tissa de Alwis declared: "The Tamils will have their own governor, their own chief minister and their own cabinet of ministers in the north. What more can one give?"



Hostility between the nation's Buddhist Sinhalese and the Hindu Tamils reaches back to the arrival of the British in 1796. The colonizers unified two separate groups on an island slightly larger than Nova Scotia in area. The Tamils' reputation for hard work and higher learning led the British to use them as civil servants—at the expense of the Sinhalese majority. Since independence in 1948, the Sinhalese have used their majority position in the country's parliamentary system to redress the imbalance. In 1956 the government of then-prime minister Solomon Bandaranaike replaced English with Sinhala as the nation's official language. "Everything in the government was done in Sinhala," says Tamil moderate politician Phalasian Soosaithesan, 52. The Hindi-speaking Tamils, forced to learn Sinhala or lose their places of privilege in the island's government and economy, bitterly resented what they termed an attempt to assimilate their culture.

Many Tamils, disillusioned by a succession of Sinhalese-led governments that seemed indifferent to their interests, gradually abandoned moderate parties such as TULF and turned to violence. In recent years the Eelam Tigers, an organization that takes its name from the precolonial Tamil nation, has launched a guerrilla campaign against the Sinhalese, attacking government troops and destroying public and industrial complexes.

Indiscriminate: By 1984 the guerrillas had gained control of the northern third of the country where they planned to create a separate nation of Eelam. Then, a year later the guerrillas, disguised as government soldiers, struck at the centre of the Sinhalese Buddhist religion. As pilgrims gathered before the holy Sri Mahobodhi tree in the sacred town of Anuradhapura, 200 km northeast of the capital of Colombo, the guerrillas opened fire, killing at least 145 worshippers and wounding scores more.

Sinhalese troops, poorly trained and disciplined, have reacted to the attacks with indiscriminate brutality. In August, 1984, soldiers robbed and burned dozens of Tamil-owned shops in the northwest town of Mannar after a rebel ambush on a troop convoy. In December of that year, soldiers killed 102 Tamils, mostly civilians, after an army jeep hit a guerrilla land mine. Two months later a priest and nine other Tamil Catholics were shot and killed during a security raid on church premises. And last month 67 Tamil refugees were reported shot dead by Sri Lankan security forces inside the camp where they had sought safety.

Fear: Meanwhile, the search for a negotiated settlement has been only an intermittent one. Following last week's talks, de Alwisa told journalists that his government was prepared to offer the Tamil guerrillas an amnesty if they turned in their weapons and accepted a negotiated settlement. And the state-run Colombo newspaper, the *Observer*, reported that leaders of five major guerrilla groups had been summoned to New Delhi by the Indian government, which is acting as mediator in the dispute. The paper said that the action was intended "to impress on them the need to refrain from violence" during further talks in Colombo. In response, the guerrillas, whose leaders have flatly rejected the plan, detonated a land mine in front of a military jeep near Morawewa in the eastern district of Trincomalee.

There is great sympathy for the Sri Lankan Tamils among the 50 million ethnic Tamil residents of the southern Indian state of Tamil Nadu, only 35 km away across the Palk Strait. The Sinhalese community has traditionally feared that its culture and religion could be absorbed by Sri Lanka's Tamils with support from their coreligionists in southern India.

Invasion: Although Indian Prime Minister Rajiv Gandhi has mediated the dispute, Colombo remains suspicious of its neighbor. Last year, when Indian authorities impounded a Sri Lankan gunboat after alleging that it had fired on fishing boats inside Indian waters, Colombo officials declared that the Gandhi government wanted to create an incident that would justify invasion. As well, Sri Lankan government officials claim that India provides refuge for Tamil terrorists.

But most political analysts say that even if an agreement is reached the strength of the Tamil guerrilla movement could make it impossible to enforce. Before the 1983 outbreak of guerrilla attacks and Sinhalese reprisals, the number of guerrilla fighters was estimated to be fewer than two dozen. But thousands of Tamil youths, unable to find jobs and outraged by the brutality of government troops, have since joined the rebel movement. Many wear a chain with a cyanide capsule around their necks.

The army forces facing them are mostly Sinhalese, and in the predominantly Tamil Northern Province they are considered part of an army of occupation. The Sinhalese soldiers live in camps protected by machine-gun bunkers and surrounded by high fences and coils of barbed wire. The troops leave the camps only in heavily armed convoys behind foot patrols searching for land mines.

Hopelessness: In the Eastern Province, where there is a greater ethnic mix and the guerrillas are not as well entrenched, the government last year conducted a ruthless but efficient campaign to regain control. In the process, troops burned towns and displaced villagers. And even in the northern Jaffna peninsula, which has been under guerrilla control for more than a year, an atmosphere of hopelessness pervades the Tamil communities, causing many increasingly desperate young people to leave the island.



Tamil guerrilles on menoeuvres turning e Gerden of Eden into e killing ground

Until recently the refugees who left Sri Lanka, including many professionals, fled by fishing boat to India. There they quickly discovered that refugee camps offered them little chance to improve their lives. Others travelled illegally, often by paying inflated fees to middlemen, to the Middle East or to Europe where they have encountered increasing hostility and an uncertain future. Said Toronto Tamil spokesman Sri Guggan Sri-Skanda-Rajan of the refugees found off Newfoundland last week: "You can be certain of one thing, that they are desperate."

—ANN FINLAYSON in Toronto with HUMPHREY HAWKSLEY in Madras

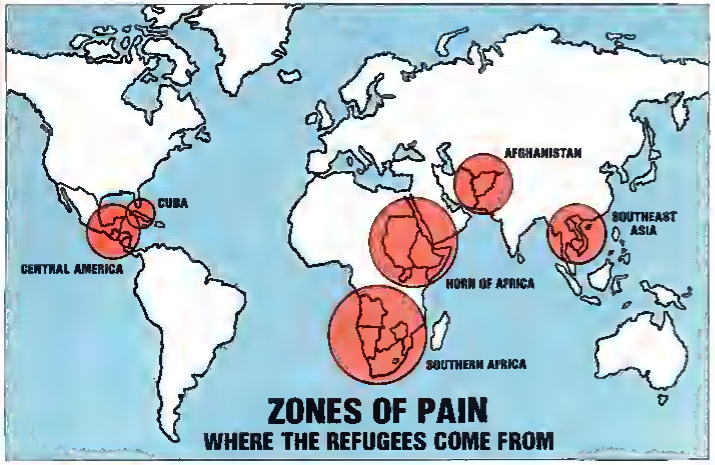
ERA OF THE HOMELESS

COVER

The history of refugees from war, pestilence and persecution is as old as the Israelites, who left Egypt in 1283 BC to escape the rule of Ramses II, and as new as the Tamils fleeing civil war in their native Sri Lanka. But the 20th century has seen record numbers of people reduced to homelessness. The Second World War alone uprooted 21 million people across Europe, Asia and Africa, and camps filled with displaced persons were landmarks of the early postwar era. Almost all found refuge, many gaining entry to Canada and the United States. But war, poverty and natural disasters have again multiplied the ranks of the displaced, and there are now 10 million refugees around the world—more than half of them living in camps in four main regions: Africa, Pakistan and India, Mexico and Central America, and Southeast Asia. Those people—some of them sick, most poor and largely unskilled—have little chance of gaining entry to a refugee program. They include

Afghans, who fled their country after the 1979-80 Soviet invasion. Three million live in makeshift communities in Pakistan, while another 1.5 million have crossed into Iran. Most simply want to to return to their farms and villages inside Afghanistan. Still, United Church of Canada spokesmen are among the critics of the federal government who say that Canada has not accepted enough Afghan refugees: in 1984, Ottawa granted refugee status to about 50 Afghans.

Africans scattered in often squalid compounds throughout the continent make up the world's second-largest concentration of refugees—some 3.5 million people. In Sudan, a three-year-old civil war has placed additional strain on the resources of relief agencies trying to house and feed 1.5 million refugees. They include 200,000 Ugandans fleeing civil disorder and Ethiopians scattered by drought and war. Famine and warfare in Ethiopia have driven 700,000 people to dusty desert camps in neighboring Somalia. And unrest and hunger in east, central and southern Africa have forced another million refugees into UN camps in Tanzania, Angola, Zaïre and Zambia.



ZONES OF PAIN
WHERE THE REFUGEES COME FROM

Indochinese. After the fall of the Saigon regime in 1975, millions of South Vietnamese citizens—many of them of Chinese extraction—risked shipwreck and pirates on the South China Sea to escape Communist rule. About 1.5 million Vietnamese have left during the past 11 years. Canada accepted 40,361 Vietnamese in 1980 and about 16,000 more each year since then. But camps in Hong Kong alone still hold 10,000 refugees from Vietnam, Laos and Kampuchea. As well, Thailand is a reluctant host to 100,000 Kampucheans and Laotians.

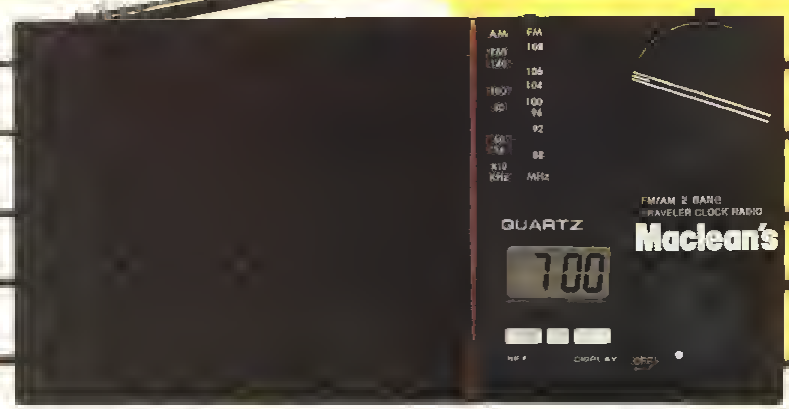
Central Americans. Most are fleeing warfare in El Salvador, Guatemala and Nicaragua. In all, there are roughly 330,000 refugees from those countries. UN camps hold 100,000 in such countries as Mexico, Costa Rica and Panama, and there are 500,000 displaced people within El Salvador alone. Since 1981 Canada has provided refuge for about 9,000 Salvadorans and 2,300 Guatemalans. By contrast, the United States last year admitted only 200 Salvadorans. President Ronald Reagan's administration supports the Salvadoran regime of José Napoleon Duarte and U.S. officials say that poor economic conditions, not political persecution, prompt many Salvadorans to flee their country.

Cubans have entered the United States in three distinct waves between 1959 and 1980. After Fidel Castro seized power in Cuba in 1959, more than 100,000 supporters of deposed dictator Fulgencio Batista settled in Florida during the next three years. Between 1965 and 1970, Castro permitted another 270,000 Cubans to leave for the United States. And in 1980 the Cuban leader allowed 125,000 Cubans—whom he branded "worms, scum, parasites, vagabonds"—to leave in small boats for Florida.

In 1947 Eleanor Roosevelt received an award for her work with European refugees—and said that the knowledge that 70,000 refugees were still in camps depressed her. But a problem that she hoped would soon be solved has mushroomed. Now there are 10 million refugees around the world—a melancholy statistic that marks the postwar era as the decades of the homeless.

—NORA UNDERWOOD with AUGUSTA DWYER in Toronto

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MIKE BLAKE/REUTER

Sri Lankans in St. John's fears of an official backlash against immigrants

NATIONAL PRIDE AND REFUGEES

COVER

For Montreal MP Gerry Weiner, only seven weeks in office as federal minister of state for immigration, Canada's acceptance of the Sri Lankan Tamils who were found in lifeboats off Newfoundland last week was a matter of national honor. "I am just so proud as a Canadian that I could have been involved," said Weiner. But Canada has not always been as ready to accept aliens, even refugees fleeing war or repression. Recalled Weiner: "There were other times in another age when boat people were turned around—Jewish refugees who were sent back to Nazi Europe."

Desperate: In 1939 the government of Prime Minister Mackenzie King refused to allow 900 desperate European Jews aboard the liner St. Louis to land in Canada. They returned to France and many of them later died in Nazi concentration camps. Twenty-five years earlier, immigration officials and a navy cruiser sent almost 400 Sikhs out of Burrard Inlet after they had wanted aboard the Japanese steamer Komagata Maru near Vancouver for 62 days seeking admittance. British Columbians applauded the decision to turn away the Sikhs. But after the Second World War, Canada adopted a more humane policy, and signed a 1951 United Nations convention guaranteeing a hearing to all those who arrive claiming to be refugees. Now, Canada's policy on would-be refugees is undergoing another change.

The Tamils who arrived in Newfoundland might well have been treated less generously several months from now. Ottawa plans to adopt a policy that, for the first time since 1951, will preclude some people from making refugee claims, including those who have already established claims in other countries. The new policy, which was announced last May and will likely become law next spring, was devised to stop abuses by people with no "well-founded fear of persecution," as defined in the UN convention. Since it would apply only to a fraction of the 8,000 people who make refugee claims every year, church and human rights groups are concerned that it is part of an official backlash against Canada's postwar openness to refugees. Said Michael Schelew, a Toronto lawyer and spokesman for Amnesty International: "The concept of universal access is part of our humanitarian tradition. It would be reprehensible to send anyone back without a hearing."

Last year Canada granted refugee status to about half of the 1,565 Sri Lankans who filed for it—the greatest number of claims that year from one country. By contrast, West Germany has accepted less than 10 per cent of the Tamils who have sought asylum there. Still, while Tamils have the right to make refugee claims once inside Canada, Ottawa has made it impossible for most of them to travel to the country legally, since they must first obtain visas. As a result, embassy officials can exclude those who they suspect might make refugee claims. Last year the government admitted only 12 Sri Lankans who applied for refugee status from camps outside their homeland. Critics of the policy say it means that to exercise their rights under the UN convention, Tamils seeking refuge in Canada must cheat—either by taking tortuous international routes, using forged passports or dealing with racketeers.

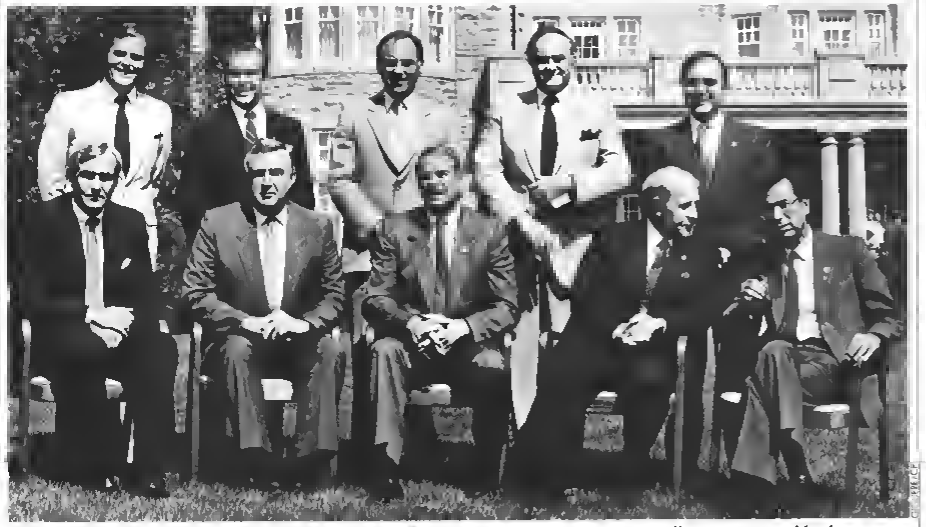
Abuses: Those difficulties are not unique to Tamils. Ottawa requires visas for citizens of the major countries that are sources of refugees. It maintains that the alternative would be an unmanageable flood of applicants, including many false claimants. The abuse problem was highlighted in July when Weiner imposed a visa requirement on visitors from Portugal. Thousands of Portuguese had been flying into Toronto claiming to be Jehovah's Witnesses fleeing persecution in that predominantly Roman Catholic country. But critics say that the determination to curb abuses is keeping out genuine refugees. Declared Barbara Jackman, a Toronto immigration lawyer: "I don't think we can open the doors to every refugee in the world. But people who are in need of protection should be entitled to seek it."

Concerns that the government is slowly abandoning its humanitarian tradition have united dozens of church and human rights groups in opposition to the proposed policy changes. But most of them have applauded a cabinet decision to reject the harshest of the changes recommended by bureaucrats. That would have denied refugee status to people who had not made a continuous, nonstop journey from their homeland. Such a proposal would almost certainly have sent the Tamil lifeboat people away to an uncertain fate.

—JOHN BARBER with DAVID LORD in Ottawa



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The provincial premiers at Alberta's Government House: united by a common concern over the economy and trade

Velvet gloves and soft talk

In the opening minutes of last week's annual summer meeting of the 10 provincial premiers, Alberta Treasurer Dick Johnston laid down the ground rules. "It is going to be roll back the chairs and let's talk—none of this sitting across the table handing out position papers. That just backs people into a corner." But as the closed meeting in Edmonton's sandstone Government House progressed, participants reported later, those instructions proved to be almost unnecessary. United by a common concern over declining earnings from resources, and fresed from immediate worries about Quebec separatism, the premiers were in a congenial and cooperative mood. Said Ontario Premier David Peterson: "I don't reseall a time of less tension between the provinces."

In the two days of meetings the premiers agreed to begin negotiations to bring Quebec into the Canadian Constitution that the other provinces had embraced in 1981. They endorsed, with some reservations, Caneda's current free trade talks with the Unitsd States. They called for economic measures to bolster agricultura, energy and lumber industries damaged by falling international prices and government-subsidized foreign competitors. The premiers also backed tax reform proposals put forward by federal Finanee Minister Michael Wilson. At the same time, they urged Ottawa not to use tax rsform as an excuse to rsduce Ottawa's funding toward provincial health cars programs and postsecondary education.

Still, there were disagreements. Peterson expressed concern that freer trade with the United States could damage Canadian industries, while Manitoba's Premier Howard Pawley voiced doubts that it would bring any benefits. Seversl prsmiers said Quebec Premier Robert Bourassa's constitutional proposals, including a new amending formula, would give too much power to Central Canada (page 22). Saskatchewan Premier Grant Devine failed to win support for his demand for $5 billion in federal agricultural subsidies. Still, the bitter exchanges that have marked previous premiers' meetings were noticeably absent. Said Peterson: "It was a typical Canadian exercise. Every single one of us in that room was struggling for compromise."

The other prsmiers gave much of the credit to host Don Getty. The Alberta prsmier was one of thrse leaders, slong with British Columbis's William Vander Zalm and Prince Edward Island's Joseph Ghiz, attending his first such conference as premier. Nova Scotia Premier John Buchanan said Getty's performance compared favorably with that of his predecessor as premier, Peter Lougheed. "Lougheed was a master of federal-provincial relations," said Buchanan. "Getty is cut from the same kind of cloth."

Getty, who succeeded Lougheed last November, set the informal tone of the confersnce with a Sunday brunch at his 14-room brick home next door to a golf course on Edmonton's wealthy Westbrook Drive the day before the formal meetings began. While the premiers dined on muffins and croissants, 35 placard-waving pickats outside protested the bitter 12-week strike at Gainers Inc. meat-packing plant in the city. Next, Getty took his guests to Northlands Racetrack, where each thoroughbred race on the special card was named aftar a different province. In the Saskatchewan feature race, Getty's own horse Boss Office ran an unobliging third.

The rslaxed day of socializing appeared to pey off. During one closed session, the other premiers joked with Vander Zalm over comments in the pest that he would not care if Quebec seceded from Canada. But on this occasion Vander Zalm, who took office only four days before the conference, was tactful. Bourassa, who hed invited him to visit Quebec, "is a great guy," said Vander Zalm. "Thers ars no grudges. We are good friends."

Bourassa, who regained power last December and was attending his first such confersnce since he was premier prsviously from 1970 to 1976, was equally affable. And his low-key, nonconfrontational approach proved effective in discussions over the key issue of constitutional rsform. Instssd of pressing for a special Quebec veto over constitutional amendments—a dsmand opposed by six provinces—Bourassa surprised his fellow prsmiers by proposing a new amending formula that would requirs the assent of seven provinces rspresenting 75 per eent of Canada's population. The current formula requires seven provinces rsprssenting 50 per cent of the population. While the Bourassa formula in effect would still give Quebec veto power—at least as long as the province maintains its current 26 per cent of the population—Bourassa argued that it would also give a veto to the other "regions," Ontario, Atlantic Canada and the West. Said the Quebec prsmier: "I am not asking for preferential trsatment for Quebec, but I want a formula that takes into account the naturs of the country."

The prsmiers stopped short of endorsing the proposal outright. But in a document they entitled "The Edmonton Declarstion," they agreed to make Quebec's five-point constitutional reform package, which includes the new amending formula, a "basis for discussion." Declared Getty: "Thers is a feeling amongst the premiers that they want to work quickly now with the Prime Minister to get Quebec totally into the Canadian federation."

Still, the other prsmiers did not allow Bourassa's proposals to divert them from their main priority: the economy. Getty made surs that the crisis in the western energy sector caused by declining oil prices was high on the agenda. After Alberta Energy Minister Neil Webber briefed the premiers on the industry's woes, the premiers expressed support for a national policy to stabilize energy rsvenues. Said Getty: "I found Ontario and Quebec rsmarkably co-operetive. It's the principle, not mechanisms, we were after today. We made a major contribution when prices were high. Now prices are low, we would like them to contribute."

Devine made less progrcss with his call for agricultural subsidics. He argued that as grain prices decline while the United States and Europe flood world markets with cheap grain, Ottawa should stap in to stabilize the price paid to Canadian farmers and work to protect trsditional Canadian markets. Said Devine: "It is international chaos. We've got to get together on this. Otherwise, the United States will pick us off province by province."

The decline of commodity prices has redoubled the desire of many premiers for a trade agreement that would guarantee easy access to the American market. As a result, Getty received wide support when he urged Ottawa to proceed "full speed ahesd" with free trede talks, which opened on May 20 and are expected to conclude before the end of 1987. But Peterson introduced a strong note of skepticism. He presented a lengthy list of Canadian subsidies and economic development programs that he said would be threatened under a free trade pect. Said Peterson: "We are all in uncharted watars with free trade." For his part, Pawley called for a morstorium on the talks. "Free trede isn't the appropriate forum to deal with the crisis in Western Caneda," said the Manitoba leader. "Any impacts we've had from Washington since free trade discussions started have been negative."



New Brunswick's Richard Hatfield at Northlands Racetrack: a friendly tone, diversified interests

In the end, the premiers compromised on the trede issue. They agreed to urge continued negotiations but hedged by calling for increased efforts to rslax intarnational trade barriers at global talks next month in Uruguay on the General Agreement on Tariffs and Trade. The premiers belked, too, at addressing the prickly question of interprovincial trede barriers except to issue, at Ghiz's insistance, a moratorium on fresh barriers "subject to compelling reasons."

The premiers will get a chance to discuss free trade again at a meeting with Prime Minister Brian Mulroney in Ottawa on Sept. 17. Two months latsr they will gather with Mulroney again in Vancouver for the annual First Ministers' Conference. Last week's meeting laid a strong foundation for that event, which in the past has been marked by disputes between the provinces and Ottawa. Concluded Pierre MacDonald, Quebec's trade minister: "A new maturity has rsturned to this conference. We are facing up to the world. Canadians can't navel gaze much anymors." As the premiers gathered at a park on the outskirts of Edmonton for a farewell steak barbecue, it was also evident that the amiable atmosphere had prevailed despite disagreements on individual issues. Developing that favorsble chemistsy may have been their most important achievement.

—JOHN HOWSE with MICHAEL ROSE in Edmonton

Bourassa's 75-per-cent solution

In a speech to constitutional experts at Mont Gabriel, Que., last May, Quebec's Intergovernmental Affairs Minister Gil Rémillard unveiled his province's five minimum requirements for signing the Canadian Constitution. Since then, Quebec's Liberal Premier Robert Bourassa has repeatedly said that before proceeding further he needed an indication of the "political will" in the rest of Canada for bringing Quebec into the constitutional arrangement that Parti Québécois Premier René Lévesque refused to join in 1981. At last week's premiers' meeting in Edmonton, Bourassa finally got that signal. Host premier Don Getty emerged on Tuesday from Alberta's Government House to announce that the premiers had agreed to set aside their own demands for constitutional reform and begin exploratory talks based solely on Quebec's proposals.

The so-called Edmonton Declaration was a critical first step for Bourassa. The declaration also reinforced the policy of Prime Minister Brian Mulroney, who has made a constitutional accord with Quebec one of his Conservative government's top priorities. In a confidential letter last month, Mulroney asked the premiers to delay their constitutional demands until the Quebec issue was solved. But beneath the display of unity in Edmonton, some premiers had serious concerns about reopening the complex problem of accommodating Quebec's desire for special constitutional powers. Newfoundland's Brian Peckford, for one, said that the proposed constitutional talks were still in doubt. Said Peckford: "I wouldn't bet any money on it one way or another."

Still, the premiers unanimously agreed to give precedence to considering Quebec's demands. Those include an explicit recognition of Quebec as a distinct society, increased power over immigration policy, a greater say in Supreme Court appointments, limits on federal spending power in areas of provincial jurisdiction and the right to veto constitutional amendments. But the premiers also gave notice that they would later pursue their own constitutional objectives on such matters as Senate reform, fisheries jurisdiction and property rights.



Bourassa: a first step toward constitutional reform

Bourassa arrived at the conference facing strong opposition. Senior aides to the Quebec premier told *Maclean's* that it became clear during a tour of provincial capitals by Quebec officials in June that the nine other provinces did not want to abandon the principle of strict legal equality. That principle was enshrined in the 1981 accord that led to the 1982 proclamation of the Constitution without Quebec. As a result, Quebec officials devised a proposal that would give the province veto power without appearing to give it special legal status. At a private luncheon in the navy-blue-and-grey Egbert Room of Government House, Bourassa proposed that the existing amending formula requiring approval by seven provinces representing at least 50 per cent of the Canadian population be changed to seven provinces representing 75 per cent of the population. Bourassa said that the "Canadian formula" would ensure that no single region would be left out of the amending process while giving Quebec the power to block unwanted constitutional changes. But later Rémillard said that Quebec wants to retain veto power in perpetuity regardless of whether its population share—now barely over 25 per cent—declines.

The premiers reacted cautiously to Bourassa's formula, which Rémillard will explain further during a series of meetings with provincial ministers next month. The formula's population requirement would also give veto power to Ontario and to the four western provinces acting together. Nova Scotia's John Buchanan, for one, said that he would not consider a formula that gave any single province a veto. Still, Quebec officials said that they were prepared to be flexible. Said a senior Bourassa aide: "Our five points are a minimum position, but there can be adjustments within that minimum." In Ottawa, Senator Lowell Murray, minister of state for federal-provincial relations, welcomed the Edmonton Declaration. But he said that Ottawa will want a signal that there is a clear chance of provincial acceptance before agreeing to formal negotiations.

Bourassa said his initiative was a gamble. "That is political life—to face challenges." Meeting that challenge—and ending Quebec's exclusion from the country's defining document—will require a formidable compromise.

—MICHAEL ROSE in Edmonton



McCarthy (left), deputy provincial secretary Bob Plecas, Vander Zalm: 'fabulous'

Vander Zalm's new team

When he chose a cabinet last week, British Columbia's newest premier, William Vander Zalm, had to make some difficult choices. He tried to reward supporters who backed his successful campaign last month to head the B.C. Social Credit party. But Vander Zalm also had to retain the services of veteran Socred ministers who opposed him. As a result, he announced a 19-member cabinet which combined "new talents with the stability and experience of the old." Wearing a dark blue suit and his trademark toothy smile, the millionaire who succeeded William Bennett as premier on Aug. 6 described his new team as "fabulous," "great," "fantastic" and "super." Art Kube, president of the B.C. Federation of Labour, called it a "motley crew."

Vander Zalm recruited the only three members of the 34-strong Socred caucus who supported his campaign for the leadership. Backbenchers William Reid and Rita Johnson were appointed to the tourism and municipal affairs portfolios respectively, while Jack Davis, a federal Liberal cabinet minister from 1968 to 1974, was named energy, mines and petroleum resources minister. Davis had been a backbencher since 1978, when he was convicted of fraud in the handling of government-issued airline tickets and fined $1,000.

Vander Zalm's cabinet choices narrowed after the resignation of four senior ministers. Two of them, Industry Minister Robert McClelland and Forests Minister John Heinrich, embarrassed the new premier by announcing their decision while he was attending the premiers' conference in Edmonton last week. But Vander Zalm retained all the remaining ministers from Bennett's 21-member cabinet. Those included leadership rivals Grace McCarthy, who became deputy premier and economic development minister, and Brian Smith, who stayed on as attorney general. One of the most surprising appointments was that of Jack Kempf, who received the key forests portfolio although he had spent only six months in Bennett's cabinet. Vander Zalm, 52, decided to become his own finance minister, because he said the province's sagging economy required "hands-on involvement." Added the premier: "The emphasis for a while must be on economic development."

Vander Zalm now has to win a seat in the provincial legislature and decide on a date for a provincial election, which must be held before July, 1987. The election losses experienced in 1984 by federal Liberal Leader John Turner and last year by former Ontario premier Frank Miller indicate that going to the polls soon after a leadership convention is risky. But rumors were spreading that Vander Zalm would try to capitalize on his post-convention popularity by calling an election soon. Asked about the possibility of a fall election, the mercurial new premier said he was "not ruling out anything."

—MARCUS GEE with MARK BUDGEN in Victoria

Capturing a victory

Less than two months ago René Fontaine stunned the Ontario legislature when he announced his resignation from the chamber and the Liberal cabinet over conflict-of-interest allegations. But the charges apparently failed to impress most constituents in Fontaine's Northern Ontario riding, and last week the burly francophone easily recaptured his seat in a byelection. The former minister of northern affairs and mines in Ontario's Liberal government took 83 per cent of the vote in the sprawling Cochrane North riding. Five fringe candidates, his only opponents, took the remaining 17 per cent. The opposition Conservatives and New Democrats boycotted the poll, maintaining that it was the wrong way to settle the Fontaine affair. After the election—in which only 38 per cent of the estimated 26,500 eligible voters cast ballots—Floyd Laughren, NDP member for the riding of Nickel Belt, called it "the biggest nonevent since Albert Einstein failed a math test in Grade 8—and it proves just as much."

Still, Fontaine could not escape the controversy that has dogged him since the conflict allegations were raised in June. A government committee has been investigating allegations that the 52-year-old millionaire violated election financing laws by running campaign advertisements in a northern newspaper less than 24 hours before the polling. At the same time, the opposition parties have increased pressure on Premier David Peterson to release a report commissioned after Fontaine's resignation, which reviews the holdings of 22 Liberal cabinet ministers for possible conflicts.

Fontaine claimed that his victory exonerated him and added that he hoped that Peterson would reappoint him to the cabinet. But the premier has said he will not make a decision until an all-party committee of the legislature hands in its report on Fontaine's activities, probably next month. Fontaine is accused of violating government conflict guidelines by failing to disclose stock holdings in resource companies with Ontario interests. Celebrating his victory in Kapuskasing, 825 km north of Toronto, Fontaine said he was not concerned about the report, adding, "I am happy because the people told me I am innocent and honest."

—SHERRI AIKENHEAD

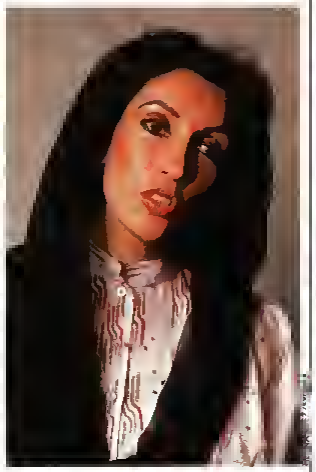
Bhutto raises the stakes

The struggle was between Pakistan's strongman Gen. Mohammed Zia ul-Haq and an attractive young woman whose father he had executed. Last month opposition forces led by Benazir Bhutto and supporters of President Zia scheduled rival rallies to celebrate Pakistan's Independence Day, Aug. 14. Then, followers of Zia, who overthrew Bhutto's father, Zulfikar Ali Bhutto, and hanged him in 1979, pre-empted any comparison of his drawing power against hers. The government cancelled the official celebration, outlawed any other rallies and on the eve of Independence Day arrested hundreds of opposition politicians. After Bhutto defied the ban and addressed thousands of supporters in Karachi, violence broke out in the port city and other centres and police arrested her. By week's end, as the government sent out troops to quell growing unrest and Bhutto's supporters called for new protest demonstrations, the nation of 94 million was in the grip of a bitter, and violent, power struggle.

By any measure, it was the most critical political turbulence in the Moslem nation since opposition groups waged an abortive two-month campaign in 1983 against the martial law then in force. Zia himself was away on a religious pilgrimage to Mecca, the holy city of Islam in Saudi Arabia, when the trouble erupted. As a result, direct responsibility for the police and military actions, and the arrests, fell directly on Prime Minister Mohammed Khan Junejo and his ruling Pakistan Moslem League (PML). Still, the public protests focused on Zia. In the northern city of Lahore, where at least three people died and 30 were wounded by police gunfire, crowds marched through the streets chanting "Death to Zia" and "Zia is a dog"—a profane insult among Moslems. The crisis also menaced Zia's measured steps toward a more democratic regime since he ended almost 8½ years of military government eight months ago. At the Karachi rally before her arrest last week, Bhutto told supporters: "The country has failed the test of democracy. On Independence Day they chained our freedom."

Only two days later, the government called out paramilitary forces against civilians for the first time since martial law was revoked by Zia last Dec. 30. The troops moved into the town of Thatta, 130 km east of Karachi, where pro-Bhutto demonstrators had stormed the local jail and the police station. Witnesses reported that the demonstrators released 28 prisoners and took arms from the police station.

At the same time, in Karachi, protesters battled riot police for the fourth consecutive day. Blue-helmeted police fired tear gas and, wielding wooden staves, charged youths who pelted them with rocks and blocked off narrow roads in the port city's teeming



market area. Police also used tear gas and baton charges against protesters in the garrison city of Rawalpindi, near the capital of Islamabad. Opposition sources reported that rioters stormed a jail in the northwest city of Quetta and freed 44 prisoners.

Spokesmen for the Movement for the Restoration of Democracy (MRD), an 11-party coalition in which Bhutto's Pakistan People's Party (PPP) is the largest group, reported at week's end that thousands of their members had been arrested. Bhutto herself eluded detention for hours. Police pursued her throughout Independence Day in a cat-and-mouse chase through the streets of Karachi. Finally, after she had addressed several thousand people in the densely crowded market area and held a press conference, the charismatic Bhutto, 33, was finally arrested by police in her home. At first reported to be held in solitary confinement in a Karachi jail, Bhutto later was believed to have been moved to custody in a government guesthouse.

Despite the government's action, which sent MRD leaders who had escaped arrest into hiding, other opposition spokesmen hailed Thursday's protests—held on the 39th anniversary of Pakistan's independence from Britain—as a significant moral victory. Although Zia and Junejo maintained control of the nation, the dissidents said that the crackdown cast doubt on Zia's claim that he was restoring democracy to Pakistan. Since Zia lifted martial law he has rejected opposition calls to hold free elections in which political parties are permitted to participate, saying elections will not be held before 1990. Bhutto, who spent 19 months in self-imposed exile in Britain, has built her following on the strength of the tumultuous popular welcome she received when she returned to Pakistan in April. Since then, she has tried to rally her supporters against the man who overthrew and executed her father. Part of her strategy, observers say, is to goad Zia into cracking down on dissent and to make a mockery of his promise to liberalize Pakistan's politics.

Still, some opposition members expressed disappointment that the crowds taking part in last week's rallies and protests were not as numerous as they had hoped. Indeed, many of the groups gathered quickly and then dispersed just as rapidly when police arrived. The attendance at Bhutto's Karachi rally, far short of her prediction that 150,000 "doves of democracy" would turn out, led some observers to express doubt that the opposition has enough public support to seriously challenge Zia. An insurrection by the armed forces, which remain staunchly loyal to Zia, is unlikely.



Bhutto (left); pro-Bhutto procession in Karachi; Zia (right); power struggle

Most of last week's violence centred on Lahore, capital of Pakistan's most populous province. Eyewitnesses reported that demonstrators tried to storm a police station at Lahori Gate, pelting it with stones and setting a bus ablaze. Police reportedly responded by opening fire with Kalashnikov rifles. Following the exchange, the MRD issued a statement charging: "Innocent people were shot to death, while hundreds of others suffered beatings at the hands of a police that seemed to have gone completely wild."

Last week's events underscored Bhutto's widely acknowledged status as Pakistan's most popular politician. Oxford-educated and a socialist by conviction, known as "Pinkie" to her close friends, Bhutto has capitalized on her father's name to build her own political fortunes. She has said that her father taught her fundamental lessons in politics while he was awaiting execution for allegedly conspiring to murder a political rival. Despite an international outcry for clemency, Zia ordered Bhutto executed. Following his death, Benazir spent most of her time either in detention inside Pakistan or in exile.

Much of Bhutto's support comes from people who are poor and uneducated. Support from members of the PPP's political establishment has been less than ringing. Many complained that she was ignoring the advice of seasoned party officials and following her own vague agenda. Others charge that she has yet to issue a detailed party platform. Still, Bhutto has cunningly played the role of a pious Moslem woman, wearing the *dupatta*, the head scarf worn by devout Pakistani women, and emphasizing her father's martyrdom, a state of virtue among Moslems.

By contrast, the fortunes of Bhutto's major political rival, Junejo, seem to be sagging. His administration has been buffeted by a series of embarrassing political misadventures. In one incident, Junejo ousted the speaker of the national assembly, Fakhar Imam, after PML members charged that he was favoring independent members, who form the only elected opposition in Pakistan. Imam, a former minister in Zia's military government, angrily joined the independents. Last month they jointly decided to create a formal opposition



group, electing Imam as their leader.

Zia's decision to go abroad during a time of impending crisis reflects the confidence he continues to enjoy among the military leadership, an essential element in maintaining power. Some analysts said that his absence was meant as a signal that the Junejo government's decision to outlaw last week's protests was made independently. Meanwhile, Zia, 61, has until recently remained publicly undisturbed by the support gathering around Bhutto. Recently, he told an interviewer: "We expected that when she came that she would draw large crowds. There was nothing unexpected in this." But last week he was surprised enough to permit her imprisonment.

—JARED MITCHELL with correspondents' reports



Parade of militiamen in East Berlin: a concrete reminder of a divided people

WEST BERLIN

Commemorating the Wall

Since the day it was built 25 years ago, the Berlin Wall has stood as the most potent symbol of Europe's postwar division into opposing ideological camps. Last Wednesday, on the anniversary of its hasty construction on Aug. 13, 1961, the wall was still demonstrating its power to keep East and West apart. In West Berlin dignitaries gathered to hear West German Chancellor Helmut Kohl describe the wall as a "monument to inhumanity," which tore apart families and epitomized the "moral gulf between free democracy and totalitarian dictatorship." But at the same time in East Berlin, the 160-km-long barrier that zigzags through the former united German capital was lavishly praised as an "antifascist protective rampart." After a 45-minute parade along flag-decked streets by grey-uniformed militiamen wearing steel helmets, East German leader Erich Honecker credited the wall with "saving peace for our people and for the other peoples of Europe."

Hundreds of West Berliners marked the occasion by milling in front of Checkpoint Charlie—a transit point at the wall—to demand the barrier's removal and to hurl abuse at nervous East German border guards lined up only yards away. After one demonstrator kicked at Communist guards and others tossed stones, West Berlin police moved in to push the mob behind metal barriers about 30 m away. Earlier in the week roughly 200 Westerners broke into East Berlin territory, climbed the wall, ripped down an East German flag and damaged other border installations. That led to strong official protests from East Germany and Moscow.

Meanwhile, the United States, Britain and France protested to East Germany that its jubilant military display in tribute to the wall had breached the divided city's demilitarized status. Under a postwar four-power agreement, only the Soviet Union and the three Western occupying countries are entitled to a military presence in Berlin.

In the Reichstag, the prewar German parliament, Kohl delivered a keynote anniversary address to leaders of West Germany's main parties and foreign guests. He declared, "As long as there are walls, barbed wire and orders to shoot to kill, there can never be any talk of normality in Germany." Added former chancellor Willy Brandt, who was mayor of West Berlin in 1961, the barrier was "an admission of failure by the East Germans that they had to wall in their own people to stop them voting with their feet."

But Honecker, in what was possibly his regime's most elaborate public attempt to justify the wall, spoke at an East Berlin ceremony of the social climate 25 years ago. Said Honecker: "Massive monetary speculation was going on, immense material property was smuggled out of the country and highly skilled workers were being lured away with the obvious aim of destabilizing the economy. We put an end to those schemes on Aug. 13, 1961."

Historians on both sides of the East-West divide agree that the flight of about three million East Germans to the West in the 15 years before the wall was built raised major economic problems for the country. Since 1961, according to Western estimates, 4,900 East Germans have escaped over the wall while another 35,000 have broken through other parts of the heavily fortified 1,380-km-long frontier separating the German states. Altogether, 74 people are known to have been killed trying to escape over the Berlin barrier.

The wall that started out as coils of barbed wire strewn across the city's Potsdamer Platz has grown into a grey, smooth-surfaced, three-to-four-metre-high barrier. It is guarded by 285 East German watchtowers, foot patrols and dogs through the city centre and leafy suburban districts. In fact, there are two walls, the second standing 100 m inside East German territory. The strip between the walls has been cleared and equipped with floodlights, antitank traps and electric sensors to detect trespassers. There are now four transit points for foreigners and three for West German nationals. Another crossing is used only rarely and usually in the depths of night: the grim, iron Glienicker Bridge, where East and West swap captured spies.

But as the wall changed, so did Berlin. A four-power agreement on access to the city in 1971 and a landmark accord between East and West Germany in 1972—in which the two states recognized one another diplomatically—sharply reduced tension in Berlin. Since then, millions from the West have been permitted to visit relatives in East Germany. Travel in the opposite direction—except for retired East Germans—has been far more difficult. Still, in the first half of this year 86,000 East Germans of working age were allowed to visit the West, compared with 66,000 in all of 1985.

Many West Germans concede that the wall has produced a more stable relationship between the divided countries because it compelled Germans on both sides to come to terms with their positions in postwar Europe and to make an effort to coexist. Willy Brandt has said that it was the shock of the Berlin Wall that led him, as West German chancellor from 1969 to 1974, to seek détente with East Germany—and with Eastern Europe as a whole.

But the barrier remains a concrete reminder of a divided people. In the weekly *Die Zeit*, West German historian Peter Bender recently wrote: "Was the wall necessary to achieve détente, good sense and an acceptance of mutual interests? The answer, unfortunately, is yes. The wall had become unavoidable because both German states had been incapable of détente and of accepting each other's interests."

And many observers say that it will last at least another quarter-century. Analysts pointed out that the removal order could only come ultimately from Moscow and Washington. "The Berlin Wall," wrote West German Social Democrat leader Hans-Jochen Vogel in an essay last week, "is a constant reminder to Bonn and East Berlin that Germany's fate depends entirely on relations between the superpowers."

—PETER LEWIS in Berlin

THE UNITED STATES

The days of decision

As the deadline for its annual three-week escape from the humid Washington summer neared last week, the Senate was all but stymied. With its members in a bickering mood, the legislative chamber had only five days to solve two key issues: military aid to antigovernment rebels in Nicaragua and sanctions against South Africa. Fearing the worst, Senate Chaplain Richard Halverson invoked God's help in an opening prayer. Pleaded the chaplain: "Preserve it, gracious God, from becoming a muscle-bound giant, victim of its own rules, procedure and precedents."

The senators responded first by approving, in midweek, President Ronald Reagan's request for $100 million in aid to Nicaraguan rebels. Then, late on Friday night they voted 84 to 14 for wide-ranging sanctions against Pretoria—a move strongly opposed by the White House. Said Massachusetts Democratic Senator Edward Kennedy: "On the face of things there is no logic. But people are more willing to defer to the President when the issue involves something in proximity to us."

Working out a solution to the South African question proved a difficult balancing act. Reagan, for his part, reiterated his opposition to sanctions during a midweek trip to Chicago. Claiming that the white minority government in Pretoria was preferable to Nicaragua's Sandinista leaders, Reagan said of the Senate: "Those up on the Hill there, well-intentioned though they may be, are asking for something that would not be helpful."

With the likelihood of a presidential veto hanging above them, the Republican-controlled Senate pushed for sanctions legislation that would attract at least 67 votes—the two-thirds majority needed to overturn any veto. Senators narrowly defeated a virtual trade embargo proposed by Kennedy, although it was a more modest scheme than a bill passed by the Democrat-dominated House of Representatives.



Anti-Sandinists rebels training in Honduras: overwhelming Senate approval

In the end, the Senate approved a strong package of sanctions that, among other things, would bar all new U.S. investments in South Africa and ban imports of uranium, coal, iron, steel, textiles and agricultural products. As well, the bill would freeze deposits in U.S. banks held by Pretoria, and landing rights for South African Airways and ban imports from companies owned or controlled by Pretoria.

While the full Congress must now vote on both issues, the Senate's overwhelming approval of both sanctions against South Africa and aid to Nicaraguan rebels virtually guarantees their passage into law. But while Senator Richard Lugar, an Indiana Republican, dismissed suggestions that the rebel funding has set the stage for war, many senators left town last week unconvinced. Warned Vermont Democrat Patrick Leahy: "There are going to be ugly scenes on nightly television of dead and maimed civilians, destroyed schools and hospitals."

—IAN AUSTEN in Washington

Dissident recipes for dialogue



Almost two decades after Israel and the Soviet Union broke off relations, representatives of the two countries have arranged to meet this week in Helsinki for talks on reopening diplomatic ties. Although Soviet officials have insisted that the talks should deal only with Soviet property in Israel and consular access to Soviet Jews who have migrated to Israel, Jerusalem wants the talks to focus on expanded Jewish emigration from the Soviet Union. Since his release last February after nine years in prison, Soviet Jewish dissident Natan (Anatoly) Shcharansky has been a celebrated critic of Moscow's policy toward Jews. In the following Maclean's *essay, Shcharansky, now living in Israel, argues that restoring relations with Moscow must depend on Soviet human rights concessions.*

Soviet prison culture provides an example of what Israel must avoid in its contacts with the Soviet Union. This is what may be called "the menu 9A syndrome." The Soviet prison system uses the curtailment of calorie intake as a punishment for disobedience and supplements the prisoner's diet as a reward. There are 18 levels of diet in Soviet prisons, ranging from 1A to 9B. Even the best diet in Soviet prisons is far worse than what the prisoner has eaten before he was incarcerated. Yet, after weeks and months of gruelling starvation, a disobedient prisoner is frequently tempted to cave in to the demands of his jailers on the promise that his menu will be improved from the lowest, near-starvation standard—9B—to a menu only slightly better—9A. Lowered expectations make it seem that a slight easing of pressure or a milder form of torture are a major Soviet concession.

Four hundred thousand Soviet Jews have expressed their hopes to leave the Soviet Union. Prolonged Soviet intransigence and barbarity must not be allowed to convince Israel that the release of a few prominent activists, though important, is a major concession, that an increase of monthly emigration from 30 to 300 is a major step forward. Menu 9A is not a recipe for real dialogue and understanding. It is a tactic of torture.

Israel's reaction to the Soviet call for negotiations on establishing bilateral consular relations will determine the fate of the worldwide effort to free Soviet Jewry. The success of that struggle is dependent on an uncompromising public Israeli position linking any progress on other issues—indeed, any willingness to negotiate on other issues—to the release of the 400,000 Soviet Jews.

The wide-scale aliyah, the migration of Soviet Jews to Israel, began after 1967, during a period when no diplomatic relations existed between Israel and the Soviet Union. The severing of diplomatic relations between Jerusalem and Moscow did not set in motion the process of Soviet aliyah, both mass aliyah and the break in relations did result, however, from a single source: the expression of Jewish national identity embodied in Israel's victory in the Six Day War. This feeling of Jewish identity turned many Soviet Jews to Zionism and motivated the nation's leadership to raise the issue of Soviet Jewry to the highest importance on the national agenda.

Repression of the individual is a fundamental principle of a political system that sees the value of man as nothing more than an insignificant cog in a huge machine. This fundamental principle of the Soviet dictatorship was seriously challenged by the demand of Soviet Jews to decide for themselves whether to live in the Soviet Union or to leave. The fact that for a short time the Soviet government was willing to allow Soviet Jewish emigration, in spite of the threat it posed to principles on which the regime is based, was not the result of a decision of the Soviet leadership to improve its public image. The sacrifice on the part of the Soviets was too great to be perceived as part of a gesture of goodwill.

The Soviet Union will not tolerate the free emigration of Jews unless it is forced to do so

Today, as then, the Soviets will not tolerate free aliyah unless forced to do so. Today this step is even more difficult for them than it was two decades ago. They know now that free aliyah means the exit of at least 400,000 Jews. They cannot delude themselves into thinking, as they did in the past, that only small numbers of Jews will choose to leave. The Soviet Union will move significantly on the question of aliyah only if it perceives the status quo to be more dangerous than a mass release of Russian Jewry. The free world has the potential to bring the Soviet leadership to this realization.

The current Russian leadership, more conscious of the dangers of economic stagnation than any of its predecessors, must reach out to the West to expand Soviet technology and trade. The West has made it clear that it is willing to co-operate. The only question left outstanding is the price the Soviets will have to pay.

In the West two approaches compete with each other in dealing with Soviet repression of Jews. The first approach is to strengthen cultural and economic ties with the Soviet Union in the hope that such ties will lead to greater Soviet flexibility on human rights. This hope is based on a naïveté that ignores the real danger the Soviet system sees in freedom of emigration and the efforts it is willing to make to avoid the granting of such freedom.

The second approach demands that any concessions to the Soviet Union be linked to progress on human rights. Testimony to the importance of linkage is provided by the constant Soviet machinations to undermine that linkage, to free themselves of the obligation to honor human rights as a quid pro quo for economic and strategic gains.

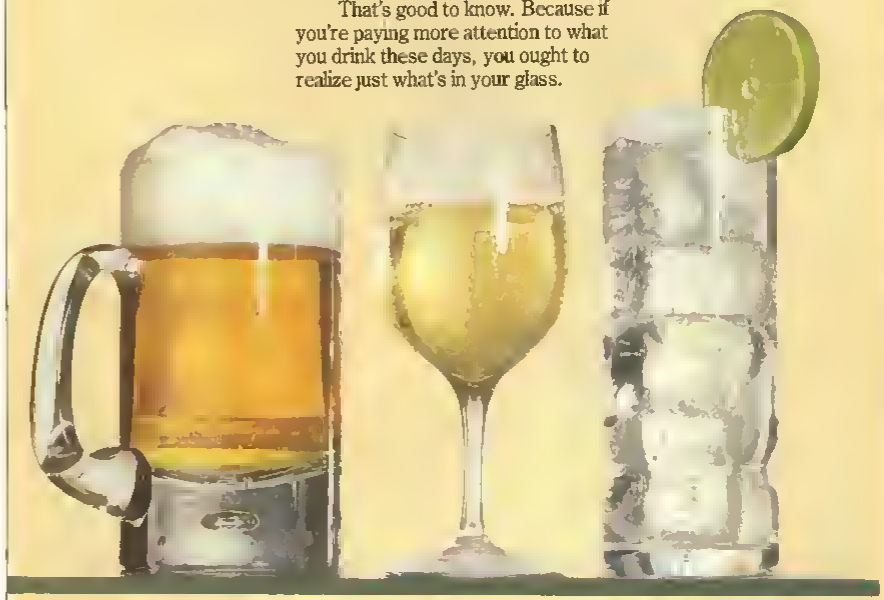
This autumn a new conference of the 35 signatories of the Helsinki Accords will be convened in Vienna. Later this year an American-Soviet summit will probably take place in Washington. Which approach will prevail? To a large extent, the answer to that question lies with Israel. If Israel betrays the principle of linkage, it will have dealt a mortal blow to the position of Israel's champions in the free world.

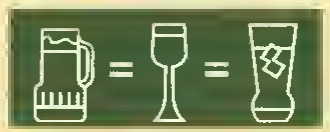
If the negotiations on other issues proceed despite Soviet refusal to agree to this right of free Jewish emigration, the U.S.S.R. will have succeeded (or more correctly, Israel will have allowed it to succeed) in establishing itself as the party less interested in the renewed ties. In response to Moscow's "generous proposals," we are tempted to lower our demands and limit them to an insistence on "symmetry and mutuality." This demand is an affront to our moral sense, unless the symmetry begins at an equal and acceptable status and not from menu 9B.

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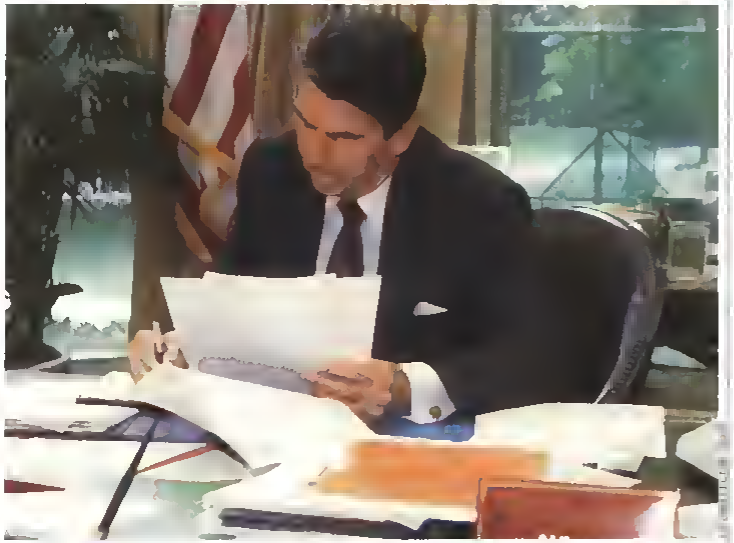
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A promise of fairer taxes

After years of debate, the movement for tax reform in the United States rested in the hands of two men last week. Representative Dan Rostankowski, an Illinois Democrat, and Senator Robert Packwood, an Oregon Republican, huddled around a felt-covered table in a meeting room in Washington's Capitol Building. As the leeders of a joint 22-member House of Representatives-Senate conference on tax reform, Rostenkowski and Packwood were struggling to reconcile differing House and Senate tax reform bills before Congress adjourned last Friday for a three-week summer recess. And although the two men had themselves reached a deal by late Thursday, it proved unworkable. They learned that the plan was $17 billion short of their revenue target. Still, both men were determined to present a tax bill to Congress, giving the United States its first massive tax overhaul in 17 years. On Saturday, Packwood was working toward convincing the Senate conference members that an additional $120 billion would have to be raised from corporate taxes. It also appeared that both sides would agree to a slight increase in individual taxes. Declared Packwood: "This is a chance that won't come again in 50 years."

Ever since President Ronald Reagen unveiled his tax reform plan 14 months ago, the U.S. initiative has helped to make the issue a political priority in both Canada and Europe. Reagan's proposal to lower tax brackets and shift more of the tax burden to corporations and away from individuals represented a stunning reversal of a deeades-long shift to higher personal taxes in Western industrialized countries. Some European experts say that if tax reform succeeds in stimulating the U.S. economy, investment dollars may flood across the Atlantic. Declared John Kay, director of the London-based Institute for Fiscal Studies: "Governments in Europe will face the pressure of, 'If the Americans can do it, why not us?' "



Reagan in his office: converting piecamsel tax reforms into a package of integrated proposals

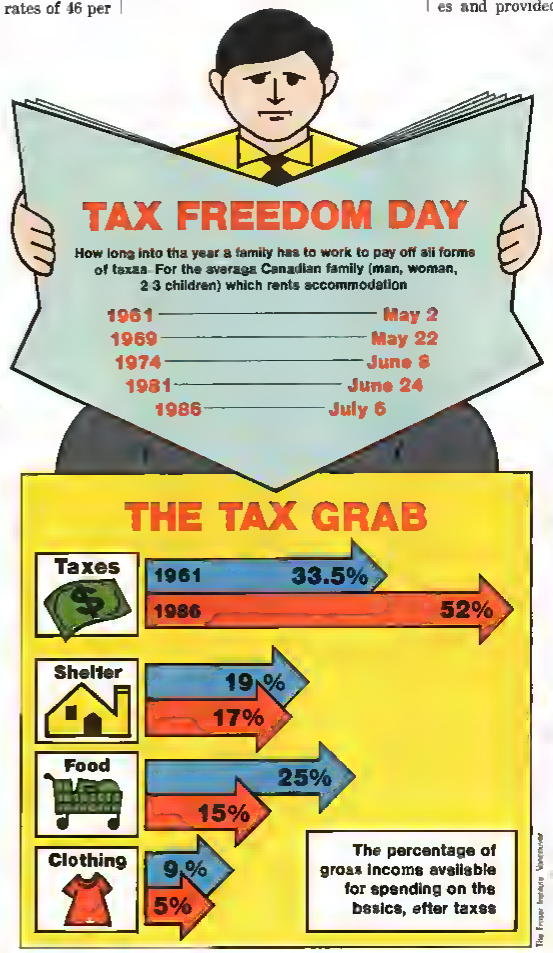
There will be simular pressure on Canadian politicians if personal tax rates fall in the United States but not domestically—the top personal tax rate now stands at 34 per cent in Canada and 50 per cent in the United States. "Talent will go across the border so fast it will make your head swim," said Conaervative MP Donald Blenkarn, chairman of the House of Commons finance committee. He added, "We have got to stay onside—that's all there is to it."

Reagen's original proposals called for Congress to close personal and corporate loopholes which cost the federal Treasury billions of dollars annually. The government could then afford to lower tax brackets. Under the deal being worked on last week, the top personal tax rete is expected to fall to 28 per cent from 50 per cent, while tha top corporate tax rete would dip to either 34 or 35 per cent from 46 per cent. Under Reagan's plan, individual taxes would fall by an average of 5.2 per cent, while the corporate burden would rise by 23 per cent. Declared Bruce Fisher, research director for the labor-backed reform lobby Citizens for Tax Justice (CTJ): "We are going to achieve, more or less, a tax code that will mean more jobs and less of a sense that people are being ripped off."

Reagan's crusade has elicited a popular response from middle-class taxpayers. The unexpected momentum for reform which has developed in Washington this summer has already persuaded Prime Minister Brian Mulroney's Conservative government to convert its own piecemeal tax reform into a more salable and high-profile package of integrated proposals. As a result, ideas for reforming Canada's tax system could be unveiled with next February's budget and will likely form a major Tory plank in the federal election that is expected in 1988.

There are persuasive political and economic reasons for following the American lead, with the maximum corporate and personal tax rates of 46 per cent and 34 per cent that are currently in effect, Canada could face a drain of businesses and individuals lured away by a reformed U.S. system. As well, the Mulroney government, confronted by dismal opinion poll ratings, stands to gain a needed popularity boost by reducing tax rates and simplifying regulations—in effect, producing a more equitable system. "The game is votes," said Adrien Boulanger, a principal in the Toronto accounting firm of Laventhol & Horwath. "And there is a perception out there that the rich don't pay their fair share of taxes and the lunch buckets do."

Indeed, studies by The Fraser Institute, a Vancouver-based think tank, confirm that the tax burden for the average Canadian is getting progressively heavier. Each year the institute proclaims one day of the year to be "Tax Freedom Day." That is the day during the year on which a Canadian family of four earning $33,500 has finally finished paying off all direct and hidden federal, provincial and municipal taxes that it owes for that year—and actually begins to earn money that it can keep. Direct taxes include income, property and sales taxes, while hidden taxes include custom and excise taxes built into the cost of products—and they have been steadily getting heavier each year. Said Sally Pipes, assistant director of The Fraser Institute: "Saveral years ago people were not really aware of this thing. Now, people are phoning us from across the country."



Government officials in Ottawa have become intensely aware that public dissatisfaction is growing over the complexity of the tax system—as well as over the anomalies and apparent inequities that are as prevalent in the Canadian system as they are in the American one. According to New Democratic Party researchers, roughly 8,000 Canadians with incomes over $50,000 paid no taxes at all last year. The auditor general's office notes that Canadian corporations—many of which pay no taxes—took advantage of tax breaks last year that cost the federal treasury an estimated $25 billion to $35 billion in forgone revenues.

For their pert, finance department officials in Ottawa argue that since the Mulroney government took office two years ago, Finance Minister Michael Wilson has already implemented significant reform measures—while striving to hold down spending and reduce the $34-billion federal deficit. He has closed loopholes, imposed new taxes and provided breaks for some taxpayers in an effort to update and streamline the tax system. "If you look at the proposals in front of Congress," declared David Dodge, an assistant deputy finance minister in Ottawa, "they are not making their tax system as broad as ours is already—by miles. The Americans are starting with an act so shot through with tax preferances that it makes ours look like a paragon of virtue."

But in some ways Wilson's actions have appeared contradictory. While phasing in a $500,000 lifetime capital geins exemption in his May, 1985, budget, he also allowed the overall leval of taxation to risa by imposing five- and 10-percant surtaxes on high incoma earners. They were replaced last month with a three-per-cent general surtax.

Until recently, Wilson's department had been devoting most of its effort to further reform of the corporate side of the tax base—and in particular to the creation of the proposed business transfer tax. But that changed when it became clear that the political mood in Washington was swinging in favor of sweeping reforms. Suddenly, "it became blindingly obvious," said Dodge, that "it would make sense to move on the personal side" of the tax equation as well and tie together all of Ottawa's plans into a reform package.

Faced with the prospect of high-profile U.S. tax reform, Wilson proposed an overall reform package of his own at a July meeting in Saskatoon of the Mulroney cabinet's inner priorities and planning committee—and was instructed to go ahead. Three weeks later Wilson told an Ottawa press conference

that he had asked Finance officials to begin work on "a comprehensive reform of the federal tax system" which would, like the U S drive for reform, aim at simplifying the system, spreading the burden more evenly and shifting a larger part of the tax load from individuals to businesses "I don't see us having an identical tax system as the United States," said Wilson But, he added, "to the extent that they are following a base-broadening and rate-reduction approach, that's exactly the direction we're going"

But there are concerns that, despite the overriding need to have a tax system that is broadly in step with that of the United States, Wilson's reform proposals could contain a crucial difference in the form of a controversial new business transfer tax. Designed as a replacement for Ottawa's outmoded manufacturers' sales tax, the tax, which was proposed in last February's budget, could scoop up billions of dollars in revenue by taxing the production of goods and, for the first time, services at each step in the process

Finance officials now expect that the transfer tax will become a key element of a broader tax reform package But critics say that the tax is harmfully regressive because the impact is felt most by low-income consumers "Consumers have been crushed at each turn by a succession of increased sales taxes," said Robert Kerton, chairman of the Consumers' Association of Canada's economic issues committee "We oppose the business transfer tax as just one more way of taking taxes from the consumer"

With or without the BTT, some observers question Ottawa's true interest in making fundamental changes in the tax system What Canadians have seen in recent years, noted David Perry, a senior research associate at the Toronto-based Canadian Tax Foundation, is "simply a series of ad hoc changes, but without an overall plan as to where we are going"

But other tax experts say that Wilson is now prepared to move in the direction of orchestrated change—if only for the political mileage to be gained from such a move According to Samuel Hughes, president of Executive Consultants Ltd, a prominent Ottawa lobbying firm, a broad tax-change package is "a political winner" And others say that far-reaching reform measures are the only kind that can succeed against the powerful lobbying efforts of industry and special interest groups "A broad brush approach is likely to be much more successful," said Kerton, because a widely based movement for reform would provide less opportunity for "each vested interest to defend its privilege"



Pipas' last-minute concessions to interest groups

In the United States, what is most remarkable about the recent push for tax change is that it has proceeded so quickly in a society that has resisted repeated attempts at reform Reagan announced his plan in May, 1985, after studying a set of treasury department proposals received late in 1984 Last December the House passed a version of Reagan's reform bill that proposed four tax brackets with a 38-per-cent maximum rate for the well-to-do, and in June the Senate passed its bill, which taxes corporations less heavily

Up to that point, Rostenkowski, chairman of the House ways and means committee, and Packwood, who heads the Senate finance committee, had succeeded in keeping Washington's army of lobbyists out of the process Said the CTJ's Fisher "When Packwood stood at the door of the temple and said 'Go away,' they did"

But when 22 members of the House and Senate began meeting last month to reconcile the two tax bills, the lobbyists went to work with a vengeance The banking industry, for one, which feared the loss of a provision that permits banks to write off bad debt reserves, hired former senator Howard Baker to defend their interests As the pressure mounted, Republican Senator John Danforth, for one, argued in favor of retaining tax breaks for weapons contractors—many of whom are based in his home state of Missouri

Despite some last-minute concessions that were made, the reform thrust has so far survived Even under the more conservative Senate version of the reform bill, 80 million of the approximately 97 million Americans who file tax returns will pay less tax Seventeen million others will pay more tax—largely because they will be deprived of the use of tax shelters

But for corporate America, the impact of closed loopholes will far outweigh the benefit of reduced tax rates Under both the Senate and House proposals, the key change would come from the elimination of investment tax credits which have allowed companies to escape an estimated $123 billion in taxes over the past five years

The closing of loopholes would end the disturbing spectacle of rich corporations that pay no taxes at all According to statistics compiled by Citizens for Tax Justice, half of the 250 largest U S corporations paid no taxes in at least one year of the 1982-85 period, while earning $73 billion in pre-tax profits. Telecommunications giant American Telephone & Telegraph, for one, paid no taxes on $25 billion in profits earned between 1982 and 1985—but received refunds totalling $636 million

As the Conservative government in Canada continues to move toward tax reform, it will undoubtedly encounter the same resistance from special interest groups as has occurred in the United States But if what Ronald Reagan has described as the "second American revolution" succeeds, the reverberations are certain to be heard around the world

—MARK NICHOLS with MARC CLARK in Ottawa IAN AUSTEN in Washington ANN SHORTELL in Toronto and PAULETTE ROBERGE in London

Soft selling in a tough U.S. city

The lavish New York apartment overlooks the sculpture garden of Manhattan's Museum of Modern Art Located on the 37th floor of the Museum Towers, the $1-million suite is decorated with Quebec-made furniture, art and antiques At least five times a week businessmen and diplomats gather at the residence of Rita Dionne-Marsolais, Quebec's delegate general, for an informal dinner During a five-course meal prepared by a full-time chef, Dionne-Marsolais, 39, promotes Quebec as a safe and lucrative place to do business Those efforts—at a cost of $700,000 a year—are proving successful In almost two years of heading Quebec's trade mission office in New York, Dionne-Marsolais has been instrumental in helping to secure six multimillion-dollar investments for the province

The recent successes of Quebec Government House in Rockefeller Center underline the growing Canadian interest in the U.S. market. In the past few years other provinces have begun to follow Quebec's lead and are rapidly expanding their presence in the booming New York area Traditionally, the provinces relied heavily on federal consular officials to help find new markets for domestically produced goods—and to convince foreign companies to invest in their economies But as the Canadian dollar has fallen to historic lows against the U S greenback, exports to the United States have risen dramatically And the provinces are now focusing their sales efforts directly on the huge New York market and northeastern states

Indeed, in February Saskatchewan became the fourth Canadian province to open a trade office in New York, joining Ontario, Alberta and Quebec. Said Desmond Benfield, senior trade and investment representative at Ontario's trade office "New York is the logical first place for exporters to get their feet wet."

The undisputed provincial leader in trade to the United States is Ontario Canada is the United States' single largest trading partner, exporting $96 billion worth of goods last year, of which Ontario exported $74 billion worth With six U S trade offices, the province concentrates its major efforts on promoting the interests of its medium- and small-sized companies The 18 staff members at Ontario's New York trade office assisted more than 1,500 companies last year to break into the U S northeast The result $85 million worth of new sales. Said Gary Grant, president of West Bend of Canada in Barrie, Ont., which has marketed its gas barbecues in the United States for the past two years "They had trade information to get quick access to the markets we wanted."

For the Quebec office, as for the others, the major task is to help gain sales for provincial firms Then it tries to ensure that the companies deliver their goods on schedule Said André Migneault, senior economic counsellor at Quebec Government House "Because of the size of the New York market, all companies, after a first test order, quickly find themselves flooded with business from their new U S customers. Many don't have the financial backing to support a large inventory and become swamped."



Benfield; Dionne-Marsolais (below): occasionally knocking on the same doors



The trade offices for the two western provinces concentrate on helping to promote provincial resources Alberta's two-man office communicates daily with contacts on Wall Street to promote petrochemical and high-tech exports And six months ago Saskatchewan hired Michael Cohen, an international trade specialist, as its representative in New York. Although Cohen has held the post for only six months, he has already handled about 70 inquiries from Saskatchewan-based companies seeking investment contacts for the New York market

Provincial delegates from Ontario and Quebec occasionally find themselves knocking on the same doors While the two offices both participate in trade seminars and missions organized by the Canadian consulate in New York, which promotes Canada as a whole, the competition intensifies when they are attempting to attract the same companies Said Dionne-Marsolais. "We're all for investing in Canada—but where in Canada?" Canada's provincial trade representatives are in New York to provide the answer

—THERESA TEDESCO with LARRY BLACK in New York



PHOTO BY HAIL SAUNDERS

Francoeur: stifling regulations, lower wages and nonunionized employees

Cutting across the border

Jean-Louis Francoeur's cramped office overlooks a hectic shop floor of sewing machines and low-hanging fluorescent lights. The roughhewn wooden floor vibrates from the heavy machinery as Francoeur, general manager of Myli Sportswear Ltée of Edmundston, N.B., fields phone calls from customers in Montreal and queries from his floor manager amid the din. On a large industrial sewing machine pushed against his office window, a woman sews belt loops on red wool ladiss' slacks, repeating the monotonous action of folding and sewing 25 times a minute. It is a scene that is becoming increasingly common in French-speaking rural northwestern New Brunswick.

A rising number of Quebec garment companies are crossing the provincial border to escape what they say are stifling regulations that control wages and working conditions in their home province. The problem is not new. Six years ago more than a dozen Quebec companies packed up and moved to the Cornwall area of Ontario. But currently, disgruntled Quebec clothing manufacturers are more likely to move to the northwest corner of New Brunswick. There, the language of work is the same, the minimum wage is lower, there is plenty of available labor and the provincial government is offering attractive incentive grants.

Since 1981, 14 companies have moved 20 km southeast of the Quebec border to the Edmundston area. That exodus has created more than 600 jobs in an industry that was previously almost nonexistent in New Brunswick. But in Quebec, government officials now see the company moves as a drain that may continue unless labor laws are changed. "It is definitely a serious concern for us," said Michel Hanson, department head for the textile and apparel industry in Quebec's department of industry and commerce.

At issue is Quebec's system of joint commissions. Composed of representatives from employers and unions, the joint commissions were set up under the Decrees Act, originally passed in 1934 to prevent the exploitation of workers in industry. In the garment industry alone, there are nine joint commissions which set minimum standards for wages and work hours in specific product groups such as hats, purses, ladies' wear and men's shirts. Quebec is the only jurisdiction in North America with such a system, and the recent report of a provincial task force on deregulation blamed it for Quebec's declining share of jobs in the nation's clothing sector. That share fell to 58 per cent from 69 per cent during the past decade. According to Hanson, the system has become too complicated and costly for employers.

For the nation's domestic garment industry, worth $5.4 billion not including knitwear, the need to improve its ability to compete against cheap foreign imports is becoming increasingly important. Normand Leblanc, owns Confection Normy Inc. in St-Urbain-de-Châteauguay, Que., and is also co-owner of Myli Sportswear, as well as B.N. Sportswear Ltée at Ste-Anne-de-Madawaska, N.B., 25 km east of Edmundston. Both New Brunswick operations are small, with between 60 and 80 employees who are mostly women. And both factories operate in the same way as the main Quebec plant: a truck brings precut material from manufacturers in Montreal to the factory, where the material is sewn into ladies' wear—shorts, dresses and pants—and shipped back.

But Leblanc says that, even with the added transportation costs, his New Brunswick plants are 10-per-cent cheaper to operate than those in Quebec because of the lack of joint commission regulations. In St-Urbain, although the plant is nonunionized, Leblanc is required to pay sewers $7.28 an hour. As well, his Quebec employees cannot work more than three or four hours of overtime a week. In his New Brunswick plants, however, sewers start at $3.85 an hour and earn an average of $5 an hour. They can work 44 hours a week before the employer has to begin paying time-and-a-half overtime. New Brunswick, said Normand Leblanc's brother, Bertrand, a co-owner, "gives us more flexibility."

But that lack of regulation angers some members of the labor movement in both provinces. Said John Alleruzzo of the 25,000-member Amalgamated Clothing and Textile Workers Union, based in Toronto: "It took a long time for unions to establish dignity in the clothing business in Quebec. We would like to keep those jobs here." And Real Couturier, vice-president of the Edmundston and District Labour Council, charged that Quebec companies were taking advantage of the area's high unemployment, especially among women, to set up small shops that were almost impossible to unionize.

But the boom may be threatened as Quebec begins to fight back. Daniel Dubuc, administrator of the Montreal-based Ladies Clothing Joint Commission, acknowledged that changes to loosen regulations in the system were needed. And the industry department's Hanson says that he expects revisions because Quebec's Liberal government has initiated some deregulation of industry and government. Still, Quebec garment makers in New Brunswick are not likely to leave in the near future. Said Bertrand Leblanc: "We are here to stay. It is an environment that has been good for us."

—SUE CALHOUN in Edmundston



Wrapping Quebec in the flag

By Peter C. Newman

Last week's Edmonton Declaration by provincial premiers in favor of renewing negotiations to include Quebec in Canada's Constitution just might provide the Mulroney government with the historic legacy that has so far eluded it.

The political operative who has been thrust into the hinge position on this vital issue is Lowell Murray, the senator recently promoted into cabinet as minister of state for federal-provincial relations. "As things stand," he told me recently, "the exclusion of Quebec is a real impediment to constitutional development. The aspirations of Western Canada or any of the other English-speaking provinces were not satisfied by the simple patriation of the Charter of Rights. So getting Quebec aboard is not just sentiment but a very practical matter."

"The problem," as Murray explains it, "is that because Quebec does not now recognise the legitimacy of the Constitution, it will not take part in its amending process, so that none of the provisions that require unanimous approval can be changed. At the same time, all of the clauses that come under the general amending formula mean that we now start with 74 per cent of the population and only nine provinces. So because Quebec isn't taking part, Ontario has an effective veto over any constitutional amendment."

At the moment, Murray's officials within the Privy Council secretariat are busy briefing him for his continuing visits to the provincial capitals. "But," he told me, "we do not want to embark on any formal negotiations unless we are convinced that the chances for success are good. We must spare the country unnecessary agony."

Murray is well suited for this assignment, and Mulroney's trust in him is reflected by the fact that as well as having been placed in charge of Ottawa's federal-provincial policies, he has also been asked to join both the economic regional development and social development committees of cabinet.

Like most of Mulroney's close associates, Murray has a relationship with the Prime Minister that dates back to Nova Scotia's St. Francis Xavier University, though Lowell was already in fourth year when young Brian arrived on campus. That was 30 years ago, but neither man has forgotten that it was Murray who first recruited Mulroney into the Progressive Conservative party.

That is not Murray's only qualification for his current assignment. Between the beginning of 1974 and the end of 1976 he was deputy minister to Richard Hatfield, the New Brunswick premier, and directly in charge of discussion with Ottawa on federal-provincial matters. He first became interested in the field when he was an executive assistant in the office of Davie Fulton, the justice minister in the Diefenbaker government who started the whole patriation process in the early 1960s, and he was in Quebec City the night Fulton announced the first amending process that later became the Fulton-Favreau formula.



PHOTO BY [illegible]

Murray, legitimizing the Constitution

Murray, who is a Cape Breton native, learned French from a private Swiss tutor and became an important moderating influence within the Tory party when the Official Languages Act went through in 1969. He was a key member of Canadian National's bilingual committee and, as an opposition senator, acted as co-chairman of the House-Senate committee on official languages between 1980 and 1984. "Though I am far from a constitutional scholar," he says, "I have a good sense of both the limits and possibilities of action on the issue." His belief in the importance of Quebec's participation in future constitutional amendments caused him to vote against Trudeau's new Constitution in the Senate.

Four of Quebec's five basic points in agreeing to renew negotiations on the Constitution do not appear to have raised much controversy at the premiers' Edmonton meeting. Recognition of Quebec as a distinct society within Canada, the right of Quebec to appoint some Supreme Court justices, limited but distinct powers over national immigration policies, and limits on federal spending in areas of provincial jurisdiction—these are all issues that can be negotiated with no disruption to the national fabric.

But Robert Bourassa's suggested amending formula will not be that easy to accept. Although he has attempted to disguise it as a national instrument, in the sense that it would provide a veto not only for Quebec but for Ontario and a coalition of Western provinces, the fact is that only Quebec would retain its veto if that province's population ever fell below 25 percent of the national total. This is a policy which goes beyond the "special status" provisions originally advocated by Claude Ryan when he was publisher of *Le Devoir*.

Ironically, John Turner's constitutional position at the moment is far more radical than Mulroney's, because the Liberal leader has attempted to counter the Chrétian forces in Quebec by backing the nationalists within his caucus. And that opens up an intriguing possibility. Pierre Trudeau has confided to friends in Montreal that the only circumstance that would drive him back into active politics—at least in the sense of speaking out strongly on issues—would be if anyone tries to touch his "monument"—the patriated Canadian Constitution.

It's too early to predict whether Trudeau will come out swinging against Turner or Mulroney, but whatever happens the constitutional issue has once again been joined, and only the country-at-large should emerge as the winner.

Fans of the glamorous actress/writer **Micki Moore** who continue to watch reruns of her syndicated TV talk show *You're Beautiful* may not recognize her in her latest endeavor. She appears this fall as a self-described "rich bitch" in an episode of the new CTV/CBS series *Hot Shots Reports* the 46-year-old Moore "I had to rip my Wayne Clark dress, yell 'Rape!' and scratch **Booth Savage's** chest. It was terrible." Moore says she already looks back on her TV program, produced by Toronto's CITY TV from 1977 to 1983, as "the *I Love Lucy* of talk shows, it just goes on and on"



Moora: From You're Beautiful to ripping and scratching

Florida singer/songwriter **Jimmy Buffett,** whose Nova Scotia-born grandfather sailed on the schooner Bluenose, has joined creative forces with Canadian actor/director **Rick Bannatt,** a six-foot-tall 230-pounder who appears in Schooner Beer TV commercials across Canada Together, they have written a script for the movie *Margaritaville,* a $4-million independent production scheduled to begin in the fall It is set, says the songwriter, in a place that exists only "in your mind" But Buffett fans who are familiar with his ballads about drunken pirates, disillusioned poets and missing saltshakers may already know what mood to expect booze, beaches and beauties.



Buffett, Stieb (right): saltshakers and psychologists

Playing the alluring **Donna Mills's** lover on the prime time television soap opera *Knots Landing* has given 32-year-old actor **Hunt Block** a higher profile But universal recognition still eludes him, as he was sharply reminded in Los Angeles recently "I was waiting for a friend in a restaurant and these cops busted me for loitering," said Block, adding ruefully "Not everybody watches *Knots Landing*"

Six years after **Robin Phillips** stormy departure from the Stratford Festival—an exit that led to one of the most controversial succession battles in Canadian theatre history—the former artistic director is back Last week, John Neville, himself a replacement for Phillips's successor, John Hirsch, named Phillips, 44, as director of the Festival's Young Company Already, Phillips-watchers are wondering whether his new post could be a springboard back to the top job Said Phillips last week. "It's a huge responsibility—the development of new and exciting talent so vital to the future of the Stratford Festival." Neville's contract expires in 1988

After a long career as a fund raiser and a brief period as a radio talk show host in Los Angeles, **Michael Reagan,** 41, has decided to follow his father's (and sister's and brother's) footsteps and become an actor Reagan, son of President **Ronald Reagan,** began studying acting just 18 months ago, but he has already secured a bit part as a truck driver in a new **Sylvester Stallone** movie, *Over the Top* "Yes, I'm treated differently because of my last name," he acknowledged "I am respected by some and treated by others as a blithering idiot. It has been that way since birth"

Things have been going badly for Toronto Blue Jays pitcher **Dave Stieb** since April 8—the date of his first game, and first loss, of the 1986 season From his lofty position as one of the most formidable hurlers in the American League in 1985, Stieb had fallen to the point last week at which, with eight weeks remaining in the season, he had already given up more runs than in all of last year On Aug 9, the $1-million-a-year pitcher went on record in a personal account for the *Toronto Star* to "assess" the most humiliating season of his seven-year career Stieb's own conclusion "The worst is behind me." But as the paper was going to press, the 29-year-old Santa Ana, Calif, native was thrown out of a game against the Texas Rangers for gesturing and blurting something to the umpire. A Blue Jays spokesman admitted that Stieb has "explored" the idea of seeing a psychologist for help with his game Said Stieb last week. "All I've done this year is talk about my problems And I really don't have anything else to say."

—Edited by BARBARA RIGHTON





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Good news in a one-paper town



By George Bain

On Aug 27, 1980, after nearly 95 years, *The Ottawa Journal* shut up shop Superficially, Ottawa was left a one-newspaper town, another place without competition to keep news gatherers—and management—keen It was in response to the simultaneous shutdown of the *Journal* in Ottawa and the *Tribune* in Winnipeg, one each by the Thomson and Southam organizations, that caused then-prime minister Pierre Trudeau to set up the Kent commission in 1980 "to inquire generally into the newspaper industry in Canada" and to prescribe remedies for any ill effects found of excessive concentration of ownership.

But even when the *Journal* and *The Citizen* were competing as fiercely as ever, newspaper buffs sometimes lamented that here was Ottawa, the capital, a city with an unusually high proportion of natural consumers of news, without a really good newspaper, a newspaper like . . . well, like *The Washington Post*. One of them once said it was the case with the *Journal* and *The Citizen* that "whichever paper you read, you wished you'd read the other." But it was not long after "the other" disappeared that some of those same buffs found signs of *The Citizen* falling more into froth and irrelevance, as newspapers relieved of direct competition are supposed to do People at *The Citizen* deny there was even a slide down-market—I think there was—but what counts is that Ottawa today can be held up as a city in which monopoly has not led to a worse newspaper.

The thought that Ottawa was, except in size, the same sort of city as Washington and deserved a touch of *Post*-ification was one that Paddy Sherman brought with him when he moved from being publisher of *The Province* in Vancouver to being publisher of the *Citizen*—both Southam newspapers—in August, 1982 Sherman has since become president of Southam Newspaper Group, a subsidiary into which Southam Inc has spun off its 15 daily newspapers, but that is neither here nor there to this story, which is about the transformation that has been worked—and still is being worked, under publisher Russell Mills—at the once lightly regarded *Citizen*.

As a newspaper city, Ottawa is different from any other in Canada, as Washington is different in the United States Both are within easy reach of other metropolitan newspapers, and both, being capitals, are places where other publishers want to be read. *The New York Times*, *The Wall Street Journal* and *USA Today*, for example, are virtually local in Washington—as *The Globe and Mail* and the Montreal *Gazette* are in Ottawa Even *The Toronto Star*, designed primarily for the Metro Toronto market, is on newsstands daily and home-delivers its Sunday paper in parts of Ottawa On top of that, in Ottawa a large francophone audience is served first by *Le Droit*. On top of that again, Ottawa is two communities

A word that runs through conversations with Mills and Sherman, present and past publishers, and with editor Keith Spicer, who was brought to Ottawa by Paddy Sherman 19 months ago, and managing editor Nelson Skuce, 18 years with *The Citizen*. 8½

> *Newspaper buffs lamented that here was Ottawa, the capital, without a really good newspaper like* The Washington Post

years before that with the *Journal*, is "balance." The balance they see *The Citizen* having to maintain—the same holds true at *The Washington Post*—is between being the good local paper and the national-international newspaper The sizable audience for the latter encompasses civil servants whose work interests are national and international, diplomats, the media—and at least the same proportion of Ottawans in other lines of work as would have a significant degree of interest in that sort of news in any other city in the country. Spicer talks of the "equilibrium between the popular local paper and the more up-scale national capital one," and says he thinks "everybody here is intensely aware that the balance has to be there every day." When *The Citizen* and the *Journal* competed, they competed to be Ottawa's local paper

What has changed is the point of balance I have had *The Citizen* daily for two months, having seen it only intermittently in the past few years, it is scarcely the same newspaper The Weekend Observer, a weekly news-in-depth section which regularly begins with five or six clear (no advertising) pages of columns, editorials, longer background articles, may be the best of its kind in the country It employs largely the paper's own resources, including a special projects team, and writers in Ottawa and in foreign and domestic bureaus belonging to Southam News The special projects team—four senior writers at the moment, with one vacancy—was created specifically to take on assignments that required time and digging. In addition to the foreign coverage of Southam News—the next bureau will be Moscow, to which Christopher Young, a former London correspondent and more recently a national columnist, has been assigned—the paper takes, and uses, such news services as *The New York Times*, *Los Angeles Times* and Knight-Ridder.

The Citizen's daily, weekly and occasional columnists are impressive in numbers—I counted 42, but not all on any one day—and bewildering in variety, their specialties run from foreign affairs and business to stamp collecting and sexuality The book pages have been improved, as have the business pages. And the paper actually seeks out good letters—even by such devices as running a letter-of-the-day, and by itself writing people who can be expected to have something to say to draw their attention to the forum and to invite them to use it Front and section page pictures almost always are in color, and staff artists Cam Cardow and Raffi Anderian are used to excellent effect in the weekend paper.

The paper, redesigned a few years ago, is clean in appearance—and will be cleaner to handle when a new no-rub ink comes into use by September—and sections are well labelled for easy identification *The Citizen*'s Monday to Friday circulation is about 190,000 and Saturday circulation is 250,000

If all this sounds like a hurrah, it is That competition is inseparable from good journalism is one of those truths journalists are supposed to imbibe with their mothers' milk Certainly there are enough noncompetitive situations that can be pointed to as terrible examples, and equally certainly competitive situations are more fun for reporters, if that counts But as a general and invariable truth, it ain't necessarily so Plainly what makes a good newspaper—more, at least, than competition—is management's desire to make one

The children's murders

It was a grim week across Canada. In three different ports of the country hundreds of police and volunteers sought clues in three brutal murder cases—all involving children. In Calgary police charged a 42-year-old carpenter with kidnapping and murdering his two children—even though they have not found their bodies. In New Brunswick the RCMP are hunting for a man who killed one 13-year-old girl and wounded her 14-year-old friend in Russellville, a small town 20 km from Newcastle on the Miramichi River And in Toronto police continued a four-week search for the man who strangled 11-year-old Alison Parrott.

Dozens of grim-faced searchers combed the Rocky Mountain foothills last week searching for the bodies of two children At the same time, Calgary carpenter Alois Dolejs stood silently in an Alberta provincial courtroom charged with the kidnappings and first-degree murders of his son, Pavel, 12, and daughter, Gabriela, 10 They were last seen July 27 when the 42-year-old father picked them up from the Calgary home of his estranged wife to take them fishing for the day But since his arrest on Aug 7, Dolejs has refused to co-operate with RCMP officers, who have organized a massive search by helicopter, on horseback and on foot through the rugged, mosquito-infested woodlands around Bragg Creek, a popular camping area 55 km west of Calgary As he emerged from the marshy woods, searcher Lloyd Gallagher said, "So far we haven't even found a footprint."

When Dolejs failed to return the children to his 37-year-old estranged wife, Libuse, on July 27, she alerted Calgary city police who issued a Canada-wide warrant for his arrest on charges of kidnapping and breaching a custody order RCMP officers arrested him 11 days later beside Highway 22 where he had been hitchhiking in the direction of the Trans-Canada Highway. They later discovered his 1977 Dodge pickup truck stuck in a muddy trail nearby. Inside the vehicle, police found children's clothing and blood stains. The subsequent search for the missing children covered 100 square km and involved as many as 50 forest rangers, park employees and police with tracking dogs As well, police and Calgary fire department scuba divers scoured lakes and beaver ponds for the bodies Declared RCMP Cpl Barry Hornung: "We are looking for bodies—but we're still hoping they'll be alive."



WARREN/CALGARY HERALD

Dolejs (centre): two missing children and bloodstains

The week was an emotional trial for the mother, a draftsman who separated from her husband in March after 13 years of marriage The couple had emigrated to Canada from Czechoslovakia 16 years ago During Dolejs's first court appearance last Monday in Cochrane, 40 km west of Calgary, she burst into tears when the charges were read But on Wednesday, when Mr. Justice John Reilly set Sept. 11 as the date for a preliminary hearing, she sat impassively through the three-minute appearance before leaving the crowded courtroom on the arm of a female RCMP officer Moments later two police officers led her estranged husband—

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wearing a red lumberjack shirt, baggy grey slacks, bright blue running shoes and handcuffs—through a group of photographers and spectators to a waiting car.

In another case, the RCMP continued their search for the man who sexually assaulted and stabbed two teenage girls in Russellville, N.B. In the early evening of Aug. 11, Tara Prokosh, 13, and a visiting friend, 14-year-old Gina Guitard from nearby South Esk, left Prokosh's house on bicycles. When they had not returned by 10 p.m., both families and friends organized a search.

Eight-and-a-half hours later Guitard's parents found the girls—one dead, the other badly wounded—on a gravel road two kilometres from the Prokosh home. While the RCMP searched for the man who murdered Prokosh and badly wounded Guitard, anger and remorse overwhelmed the residents of the tiny town of 15 households who were suddenly confronted by their first big-city crime.

And in Toronto the appeal was poignant—and a harsh reminder that a killer was still at large. Three weeks ago, 100 volunteers distributed 20,000 posters featuring a picture of murdered 11-year-old Alison Parrott. Now, telephone booths, store windows and subway station walls across the city all display her likeness. Beneath the illustration of a petite well-groomed girl wearing an emerald green T-shirt and beige shorts there is a plea to passers-by: "Did you see Alison? Please think back to Friday, July 25."

The Grade 7 student failed to return to her central Toronto home that day, and on July 27 two boys found her nude, strangled and sexually abused body in a heavily wooded riverside park in the west end of the city. Police expressed the hope that the posters will help someone remember information vital to the case. Declared Bunti Hume, a friend of the murdered girl's parents, Lesley and Peter Parrott: "People's memories are short and they need refreshing."

The police have collected so much raw data from three, 24-hour telephone hotlines that the 16 investigators assigned to the case quickly accepted the loan of a labor-saving device from London's New Scotland Yard. It is a specialized $250,000 computer program that performs such functions as matching different bits of information. Said Metropolitan Toronto Police Insp. David Boothby: "It is an excellent tool for large investigations."

The murderer remains a shadowy figure, and investigators say that it may take them two months to develop his profile. He lured Alison to her death by posing as a sports photographer anxious to publicize her budding track career, and police suspect that he may have pursued her for several weeks. As a result, they have scanned videotapes of Ontario track meets in which Alison competed and studied photographs of a June 12 community festival in her neighborhood. There, someone may have stalked her at an event in which Alison appeared on a makeshift stage and acted as an announcer.

Boothby said that the murderer may be experiencing remorse—and the fear that he will kill again. Said Boothby: "He will be losing sleep, have a loss of appetite and be living a different pattern." He urged anyone who notices those changes—and suspects that someone he knows might have committed the murder—to contact the police. In the meantime, said Boothby, "I don't want to make any rash predictions but we have the right people doing the right things and we are making sure that we have covered all the bases."

—MALCOLM GRAY and KERRY DIOTTE with KEVIN SCANLON, NORA UNDERWOOD and JUNE ROGERS in Toronto



FILMS

Creepy capers from a master of horror

The classic 1958 science-fiction film *The Fly* presented a fanciful premise: a scientist accidentally exchanged his head with that of a housefly. It was a clean mind-body split, producing a fly-headed man and a man-headed fly. But with recent advances in genetic engineering, computer intelligence and cinematic special effects, mutations can now take on a more insidious and tangible form. The remake of *The Fly* by Toronto-based director David Cronenberg skilfully fuses the deadpan surrealism of the original with the visceral horror of malignant, disintegrating flesh. In Cronenberg's film, the scientist who gets his genes mixed up with a housefly's slowly mutates into a creature that is a repulsive combination of both.



Goldblum, Davis, Cronenberg (below): the visceral horror of malignant flesh

With his previous movies, ranging from 1975's *Shivers* to 1983's *Videodrome*, Cronenberg has displayed a unique talent for creating a sense of biological horror. His characters' enemies come in the form of cancers or creatures erupting from within. Relentless in its intensity, *The Fly* preys upon the midnight fear not that a stranger may be creeping up the stairs but that strangeness itself may be growing under the skin.

Jeff Goldblum (*The Big Chill*, *Into the Night*) plays Brundle, an obsessive but likable scientist who is trying to perfect a pair of teleportation pods—machines that transmit matter from one to the other and reassemble it atom by atom. At a scholarly conference, he meets the sultry Veronica (Geena Davis), a science journalist, and lures her back to his laboratory-apartment in an abandoned warehouse. By teleporting one of her stockings in a crackle of lightning, he wins her respect—and eventually her love. But one night, while Veronica is absent with her former boyfriend (John Getz), Brundle gets drunk and recklessly teleports himself—unaware that there is a fly inside the pod.

At first he revels in his transformation. His body acquires acrobatic strength, his ego hardens and his brain seethes with ideas. He craves sugar. Like a new convert to a religion, he urges Veronica to teleport herself as well. "Dive into the plasma pool," he says. "It will make you feel sexy." But she is alarmed by his blotchy complexion and the brittle black hairs sprouting from a scratch in his back. Soon his nails fall out, giving way to a milky fly-goo that corrodes human tissue. As his mind races to discover how to reverse the damage, his body disintegrates. It is not a pretty sight.



Hollywood's Chris Walas has expertly crafted the movie's special effects, making them at once fascinating and sickening. They, along with a strident score, push the melodrama to a terrifying crescendo of malignancy. But ultimately what makes the film convincing is the credibility that the lead characters establish early in the film. A genuine chemistry of humor and warmth fuels Goldblum's romantic scenes with Davis, so that later on, flickering through absurd layers of latex makeup, his feelings for her are still credible.

Throughout *The Fly*, Cronenberg galvanizes the drama with a perverse wit and a playful sense of social commentary. As Brundle investigates his worsening deformity with mad curiosity, he vows, "I won't be just another tumorous bore." And he wonders aloud if he has "a disease with a higher purpose." Certainly Cronenberg uses disease to place the ordinary rituals of dating and mating into alarming perspective. And *he* has found a metaphor to explore contemporary phobias of cancer, AIDS, senility and schizophrenia.

Although Cronenberg is a master at horror, *The Fly* is his first real monster movie. In the *Frankenstein* tradition, the mutant remains a sympathetic character, hanging on to his human-like qualities by a fraying thread until the end. Still, Cronenberg hardly succumbs to Hollywood sentimentality. At one point in *The Fly* he makes a brief cameo appearance, his horn-rimmed glasses propped over a surgical mask. It is an abortion scene—where he helps pull a giant writhing maggot from the leading lady. In the Cronenberg carnival, nothing is sacred except horror itself.

—BRIAN D. JOHNSON



Anderson in Home of the Brave. *music offbeat humor and electronic wizardry*

Mother of invention

Critics describe her work as everything from high-tech opera to electronic stand-up comedy Laurie Anderson, 39, is difficult to pigeonhole because her performances bring many art forms together in an original hybrid In 1983 Anderson emerged from cult-figure status in New York to capture wider attention with *United States*, a seven-hour performance piece consisting of 78 vignettes about modern life in America, which premiered at the prestigious Brooklyn Academy of Music. Last April Anderson's first feature-length film, *Home of the Brave*, opened in the United States, and this week it appears in Toronto, Montreal and Vancouver In essence a screen version of an Anderson performance, the movie features her singing, dancing, telling stories and playing various instruments onstage, while a large screen flashes computer-generated graphics in the background Behind the offbeat humor and electronic wizardry lies Anderson's view of herself as a coy cultural observer Said Anderson "My real job is to be a spy"

Anderson is one of the few artists to have soared from avant-garde obscurity to mainstream success She has recently taken her unique brand of performance art to sold-out concert halls in Japan and Australia, including the Sydney Opera House And her three albums have sold more than 2,000,000 copies worldwide In fact, *O Superman*, a haunting anthem for the nuclear age from her *Big Science* album, rose to No 2 on the British pop charts in 1981

One of an affluent family of seven, she grew up in the Chicago suburb of Glen Ellyn and played classical violin as a child She later studied sculpture at New York's Columbia University Then, to accommodate her growing interests, she began dabbling in performance art. In 1972 she conducted a symphony of car horns at a Vermont drive-in theatre

Anderson developed her inventive style by turning adversity to advantage In the early 1970s, when she was making experimental super-8 films for fringe art festivals, the sound tracks were often still incomplete by the time of the screenings Her solution was to improvise monologues for the films or punctuate the action with sounds from her violin The interplay of language, music and visual art, and the bizarre effects of their juxtaposition continue to be her focus Said Anderson "My main commitment has been to live performance I love the potential for real-time disaster"

Home of the Brave brings Anderson's courageously original work to its widest audience yet. And on Sept 1 PBS will showcase her on its concert series *Alive From Off Center* For her part, she accepts her widening exposure with a measure of irony In the song *Talk Normal* from *Home of the Brave*, she observes. "Today someone looked right at me and said, 'Oh no! Another Laurie Anderson clone!' "

—ROXANNE SNIDER

THEATRE

New notes for a diva

Four years ago she electrified audiences at New York's Metropolitan Opera House with her portrayal of the tempestuous Mimi in Puccini's *La Bohème* The celebrated Toronto-born soprano Teresa Stratas followed up her triumph by starring in Franco Zeffirelli's film version of *La Traviata* the next year In the spring of 1983 she won a Grammy award for recording that opera Then, abruptly, the star withdrew from the limelight She returned to Canada to attend to her dying father and to battle an undisclosed illness But now the petite diva with the magnificent voice is re-emerging from the shadows At 48, she has recorded her second album of songs by German composer Kurt Weill—whose wife, Lotte Lenya, Stratas had nursed on her deathbed The disc will be released this fall And this week she opens in the first Broadway musical of her career, *Rags* Commenting on the way her singing has helped her weather the turbulent emotions of the past few years, the soprano said, "I might very well be mad if I didn't have this outlet for that energy."

Stratas was born into a family of Greek immigrants who lived in a hovel above a Chinese laundry in downtown Toronto At age five, she was stricken with tuberculosis, which has afflicted her periodically throughout her life. She recalls that that environment resembled the Lower East Side Manhattan neighborhood portrayed in *Rags*, which deals with Russian Jews arriving in the United States at the turn of the century She accepted the musical's starring role of Rebecca Hershkowitz, a fiery mother, because, she said, "Maybe my own immigrant story isn't resolved." The singer added that Rebecca reminds her of her own mother, a powerful matriarch who strove to protect the Stratas family from both hunger and her manic-depressive husband Said Charles Strouse, composer of *Rags* and of the 1977 hit musical *Annie* "Teresa's memories of her mother affected us deeply."

Next year in Washington, D C , Stratas will return to opera with Richard Strauss's erotic tragedy, *Salome* From *Rags* to the operatic riches of *Salome*, the gifted, stormy diva from Toronto has returned to the stage

—LARRY BLACK in New York



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Celebrations of the body in motion

Grace and strain, brilliance and banality: last week Vancouver hosted the year's biggest dance event. It was the annual Dance in Canada Association (DICA) conference, with dozens of accompanying performances. With sponsorships from Expo 86 and DICA, more than 150 of the country's top performers and choreographers gathered to showcase an impressive range of events—and to demonstrate to international audiences that Canadian dance is flourishing. There were companies to represent almost every style, from uncompromising modern works to folk dances, from jazz to world premières in ballet.

One work was particularly well integrated with Expo. Choreographed by Montreal's Jean-Pierre Perreault, *Highway 86* featured 50 dancers in overcoats and army boots moving across the fair's celebrated sculpture installation *Highway 86*.

But the week's most heralded event was an evening of premières by the country's three top ballet companies—the Royal Winnipeg Ballet, Montreal's Les Grands Ballets Canadiens and Toronto's National Ballet of Canada. It also proved to be one of the week's disappointments.

Last Thursday's Ballet Gala at the Queen Elizabeth Theatre failed to give audiences a full appreciation of the breadth of the country's dance talent. The Royal Winnipeg Ballet's work, *Steps*, was somewhat superficial, but it was the most successful of the evening. A three-part piece for 24 dancers, *Steps* is the creation of veteran Canadian choreographer Brian MacDonald. Known for directing the Stratford Festival's highly successful Gilbert and Sullivan musicals, MacDonald displayed his theatrical flair. He staged *Steps*, a journey through history, against designer Jossf Svoboda's set of shimmering light projections on taut vertical ropes. Led by the Royal Winnipeg's renowned Evelyn Hart, the company demonstrated its versatility with transitions from primal, crude movements to a stately renaissance style to frenetic punk dancing.

The performances of Canada's two other leading companies were less effective. Les Grands Ballets Canadiens presented resident choreographer James Kudelka's *Collisions*, a study of five couples displaying different aspects of the volatile relationships between men and women. But instead of probing human psychology, the choreography too often relied on brilliant athletic display. Ultimately, confusion about what each couple was supposed to represent submerged the piece. *Collisions*' most evocative feature was its vivid orchestral score by Toronto composer Henry Kucharzyk.

National Ballet's contribution to the evening clearly represented a missed opportunity. With 67 members, the National is Canada's largest troupe—but it mounted a work involving just three dancers. Constantin Patsalas's *Lost in Twilight*, by the National's resident choreographer, is a turgid, symbol-laden work about a lost soul ensnared by two goddesses. Even Patsalas's impressive set of sculptural-looking ropes and a billowing bolt of blue cloth failed to mask the work's emptiness.

Still, Vancouver's week-long extravaganza offered moments that confirmed the creative potential of Canada's dance community. Among the more whimsical—and successful—spectacles was *Chevy Dream*, a new work by Montreal choreographer Ginette Laurin, in which she and Kenneth Gould cavorted in, through, around and on top of a pale blue 1954 Chevrolet. Last Wednesday night, minutes after Laurin finished her performance, she was presented with this year's $8,000 Jean A. Chalmers award for choreography. It was a moment in which Canada's dance community deservedly celebrated its skills.

—MICHAEL CRABB in Vancouver



Patti Caplette, Hart and Elizabeth Olds in Steps: stately renaissance to frenetic punk

Pop music baptizes a new superstar

The world's best-selling black vocalist is a vivid icon of pop sensuality. At a recent concert in Long Island, N.Y., Whitney Houston, her long legs encased in skin-tight leotards, shimmied across the stage to shouts of "We love you Whitney" from her adoring fans. Yet Houston, 23, is also a shy and sheltered Baptist from a working-class neighborhood of Newark, N.J., where her mother, Cissy, still leads the choir in the New Hope Baptist Church. And the New Hope congregation is the group for whom Whitney first performed in public, when she was 9, and where she continued to sing until she was 19. Now the former choir girl is belting out her glorious sounds to mass gatherings: she is currently touring North America and will perform in Toronto, Ottawa and Montreal later this month. What bridges the two worlds of church and rock concert, sacred and profane, is Houston's prodigious vocal talent—born in gospel, riding high on soul.



FUNK/CHA SPECIAL FEATURES

Houston in concert: a vocal talent born in gospel and riding high on soul

Houston can croon romantic ballads and deliver slick up-tempo pop. And her exceptional voice, along with skilful packaging, has helped her recordings to outstrip the legends of black music from Ella Fitzgerald to Tina Turner. More remarkably, she has made her reputation with just one album, her 1985 debut *Whitney Houston*, which has sold more than 10 million copies worldwide. It produced three No. 1 singles on the American charts—one, *Saving All My Love For You*, won her a Grammy award, and a fourth that reached No. 3 on the charts. Her album is the best-selling debut by any singer—male or female—in the world. Houston's critics charge that she is a creation of image-makers and promoters, that her music borders on formulaic. But even the authoritative pop music magazine *Rolling Stone*, which criticized her album's material as "mushy" and "overproduced," proclaimed that Houston herself was "blessed with one of the most exciting voices in years."

On her current tour, the gifted vocalist reveals a depth of talent only hinted at on record. Houston appears after the booming timpani overture from Richard Strauss's *Also Sprach Zarathustra*, better known as the theme from the film *2001: A Space Odyssey*. Then she bounces her way through a warm-up rendition of Michael Jackson's *Wanna Be Startin' Somethin'*, then she moves on to her album's chart-topping slow ballads. Her performance of *You Give Good Love* is like a brush with a silk glove, until she arches and throws back her head for a full-blown chorus. Her finale, a stirring emotional version of *Greatest Love of All*, reveals her complete three-octave range as she swoops from thrilling heights to a willowy whisper. Electrified, the audience rises to its feet—but a well-planned fireworks display defuses the calls for encores.

Behind Houston's success are two shrewd men, the masterminds of her career. In 1981 promoter Gene Harvey capitalized on Houston's attractiveness to obtain a lucrative modelling career. Two years later Harvey introduced the aspiring model-singer to Clive Davis, president of Arista Records, the large New York-based independent recording company. Davis invested an unprecedented amount of time and money—two years and $250,000—on Houston's launch, gambling that he could turn the 20-year-old former choir girl into a star. Explaining that decision, Davis recalled: "I was knocked out by her. She had a stunning beauty and a real potential in all areas of entertainment." He also oversaw the production of her album and of videos that packaged Houston in looks ranging from debutante to sophisticate. Meanwhile, Harvey—who continues to manage her—arranged a corporate sponsorship for Houston which resulted in a widely broadcast Diet Coke television commercial.

Houston was exposed to the world of show business at an early age. The youngest of three children, she was born to John Houston, a civil servant in Newark's city planning board, and Cissy, a former member of the Sweet Inspirations gospel group which often backed Elvis Presley and Aretha Franklin. As a child, Whitney often travelled with her mother, Franklin or her cousin Dionne Warwick to watch their performances. Recalls Houston: "That's the kind of singer I wanted to be—to really feel love songs and get that across to people."

She decided to sing professionally when she was 12. Soon she was singing lead parts in her church choir and bit parts in her mother's nightclub show. But her career was soundly launched only after she met Davis, one of the recording industry's most respected creative executives, who had worked with Warwick and Franklin, among others. Acting as executive producer of Houston's album, he took her to Los Angeles to shop for songwriters and producers. He eventually came up with four of the best in contemporary black music, including performer-producer Jermaine Jackson—older brother of Michael Jackson—and Narada Michael Walden, who had produced some of Franklin's most successful records.

They developed a collection of 10 songs for Houston to record. Davis then promoted the album by targetting different singles to different audiences. He acknowledges that he aimed *You Give Good Love* at black listeners, and he says that he was surprised when the song rose to the top of pop charts as well. He used *Saving All My Love for You*, a shimmering romantic ballad, to win older listeners. And the buoyant *How Will I Know* established Houston with the rock and teen audiences. Said Davis: "It was a conscious effort to show all sides of Whitney, but it really fell together piece by piece."

Houston's success is so much a product of marketing that some industry observers say that Davis acts as a master puppeteer pulling the strings of her career. But the singer herself insisted: "Clive is my guide and my confidant, and he's one of the few executives in the business who knows a good love song. But I am the one who has the final say on what I do."

The real test of good marketing is a balancing act between too little and too much exposure. Davis says that Houston is in no danger of emulating the once-ubiquitous superstars Michael Jackson and Cyndi Lauper. But Ariste is being cautious, waiting until January to release her second album, even though it is already completed.



BERNEY/VISAGES

Cissy Houston, Warwick, Whitney Houston: shy, sheltered and 'happily single'

Meanwhile, Houston's managers are monitoring the effects of her corporate associations on her image. Many industry observers, such as writer Dave Marsh—author of biographies of Bruce Springsteen and Michael Jackson—say that corporate sponsorships create credibility problems for artists and blur the line between art and advertising. Said Marsh: "Whitney's a commodity, which takes nothing away from her singing. I enjoy her as much as my next Coke." Those opinions make managers nervous. On learning that the Canadian branch of the Coca-Cola empire was running a nationally advertised contest for tickets to Houston's Toronto concert, manager Harvey said he had some concerns that the company was "going too far."

Being a public figure has also had a serious impact on Houston's personal life. Sometimes fame can provide an escape from the ghetto to a world of glamor. But some celebrities, including Houston and Michael Jackson, are carefully guarded properties. Jackson lives in seclusion on his estate, with its own private zoo, in Encino, Calif. For her part, Houston, who insists that she is "happily single," lives with two kittens and a female personal assistant who chaperones her on tours. When she does leave her condominium in Fort Lee, N.J., it is usually to visit her parents, who live nearby.

Her fame and sheltered existence have produced media speculation about the price that Houston's stardom has exacted. When the Canadian pop magazine *Graffiti* featured Houston on its cover this spring, it carried the teaser question "Too good to be true?" And the Aug. 11, 1986, cover of *Us*, a U.S. gossip magazine, declared that a story in that issue would expose "the real Whitney Houston." In the end, both articles concluded that Houston, like a good model, displays many faces.

Indeed, the conflicting imagery is part of the public's fascination with Houston. Said journalist Marsh: "One minute she's twitching her ass, and the next she's the ideal daughter." But one thing about her is indisputably real: the emotive vocal style she learned while singing in the choir of Newark's New Hope Baptist Church. Recalled Houston: "Once I joined the choir and the singing, I never wanted to leave." Her gospel soul never has left—and that is the source of her music's strength.

—NICHOLAS JENNINGS in Newark

MACLEAN'S BEST-SELLER LIST

Fiction

1 **A Perfect Spy,** *le Carré (1)*
2 **A Matter of Honour,** *Archer (3)*
3 **Act of Will,** *Bradford (4)*
4 **The Bourne Supremacy,** *Ludlum (2)*
5 **Power of the Sword,** *Smith (5)*
6 **Wanderlust,** *Steel (7)*
7 **I'll Take Manhattan,** *Krantz (8)*
8 **Last of the Breed,** *L'Amour (9)*
9 **Red Storm Rising,** *Clancy (9)*
10 **The Eighth Commandment,** *Sanders (10)*

Nonfiction

1 **Fatherhood,** *Cosby (1)*
2 **Fit for Life,** *Diamond and Diamond (2)*
3 **Invitation to a Royal Wedding,** *Hall*
4 **The Rotation Diet,** *Katahn (3)*
5 **James Herriot's Dog Stories,** *Herriot (5)*
6 **100 Best Companies to Work for in Canada,** *Janes, Perry & Lyon (4)*
7 **Rock Hudson: His Story,** *Hudson and Davidson (7)*
8 **The Fall of the Roman Umpire,** *Luciano (6)*
9 **Innovation,** *Foster (8)*
10 **Callanetics,** *Pinckney with Batson (9)*

() Position last week

—Compiled by Frances McNeely

A uniquely Canadian dilemma



By Gerald Caplan

One of these fine days, probably just when Brian Mulroney thinks his government has turned the corner, an aide will solemnly appear to give him some terrible news: a Canadian will have been killed in Nicaragua. The Prime Minister will consider that a great human misfortune. The aide will then add that the Canadian was a development worker, funded by the government of Canada, and he was murdered by the contra rebels, funded by the government of the United States. The Prime Minister will then know he has a political nightmare on his hands, the inevitable price of linking the future of his government to the policies of Ronald Reagen.

Other heads of western governments, in West Germany, France, Spain, Belgium and Switzerland, have been given such information in recent months, and the number seems bound to grow. Until earlier this year no outsider had been killed in Nicaragua since 1983, when the contras murdered a German and a French physician. Last year they kidnapped a group of West German health workers, repeatedly raping one of them before they were released. Recently, however, civilian targets in general have become a systematic focus for contra land mines and mortar attacks, and with them the danger to the estimated 1,500 to 2,000 development workers from the western world has increased proportionately.

On May 17 the contras raided a village and kidnapped eight West German volunteers working on a house-building project; they were held for 24 days, then released. Frank Arana, press spokesman for the principal CIA grouping, the Nicaraguan Democratic Force, stated at the time that "any foreigner who voluntarily aids in development and reconstruction projects is considered an enemy," and such "collaborators" would be treated accordingly.

This was no bluff. In June a Swiss agronomist, a Spanish health worker and a Belgian working on a European Community project were killed in attacks. Last month three Europeans—French, Swiss and West German—and two Nicaraguans died when their civilian vehicle was hit by mortars.

Finally, only weeks ago, a small village resettlement area was attacked by mortars, killing four children and one woman and injuring 26 others. Five days earlier a group of Canadians had left that village after bringing in medical supplies and helping to build a school. The Canadians were part of a larger group of 38 volunteers calling themselves the Louis Riel Teachers Brigade which had spent a month in two Nicaraguan villages.

European governments have reacted warily to the deaths of their citizens. There have been widespread protests, both from the public and in their respective parliaments. West German Chancellor Helmut Kohl was asked how his good friend President Reagan would react if a group of Americans were kidnapped by a gang bankrolled by the German government. When the Swiss government protested to Washington about attacks on Swiss development projects in Nicaragua, it was advised to raise the issue directly with the contras themselves.

> *There is a real possibility that one or more Canadians may be killed in the campaign of state-sponsored terrorism*

On Aug. 7, however, both the Swiss and German governments officially urged volunteers not to continue working in Nicaragua, yet a German group is already prepared to leave shortly for that country. Such volunteers provide a warning to politicians that the issue will not soon disappear. After all, not only do many European governments provide official development assistance to Nicaragua, virtually every European country's many development agencies send it volunteer workers.

Many of Canada's most responsible and effective development agencies have people in Nicaragua in a variety of projects: health, education, agriculture, water. They include CUSO, Inter Pares, Development and Peace, Care, Canadian Aid to Nicaragua. The volunteers come from every part of Canada, from every walk of life and from every political persuasion.

The attitude of the Mulroney government toward Nicaragua has been cautious so far. Mulroney and Joe Clark have resisted what we can be confident was strong pressure from Washington to endorse the U.S. position. Clark is a great fan of the Contadore peace process. Funds were even provided for a water and an energy project which were very important to the Sandinists government, but none of the government's small aid pool designed for Central America has since gone to Nicaragua. The Canadian International Development Agency, however, continues to be a key source of funding for the development agencies that are involved in Nicaragua. CUSO, for example, which has some 15 volunteers there, receives approximately 90 per cent of its funds from CIDA, and other organizations typically receive CIDA matching grants.

But with or without direct government assistance, the Prime Minister can be certain Canadians will not stop going to Nicaragua to help. The Canadian Embassy in Costa Rica has formally advised Canadian development workers "to take the utmost care and caution in their daily lives, and particularly to avoid areas of conflict whenever possible," and they are doing so. But they are quite determined not to be pushed out.

Indeed, other Canadians are actively planning new Nicaraguan visits. Paula Rochman, one of the Riel Brigade, has announced, "I'll definitely go back." Richard Johnston, an Ontario NDP MPP who was also part of the Riel Brigade, is already organizing a return trip for an all-party group of federal, provincial and municipal politicians.

There is a real possibility that one or more of these Canadians may be killed in the campaign of state-sponsored terrorism being waged by the contras against the Sandinists government. Mr. Mulroney has of course vigorously condemned state terrorism, but in this case the sponsoring state happens to be Ronald Reagan's. What will he now do while we await the news that a Canadian has been murdered in Nicaragua by American-trained and -armed terrorists about whom Reagan said, "God bless them. It makes me a contra too"?

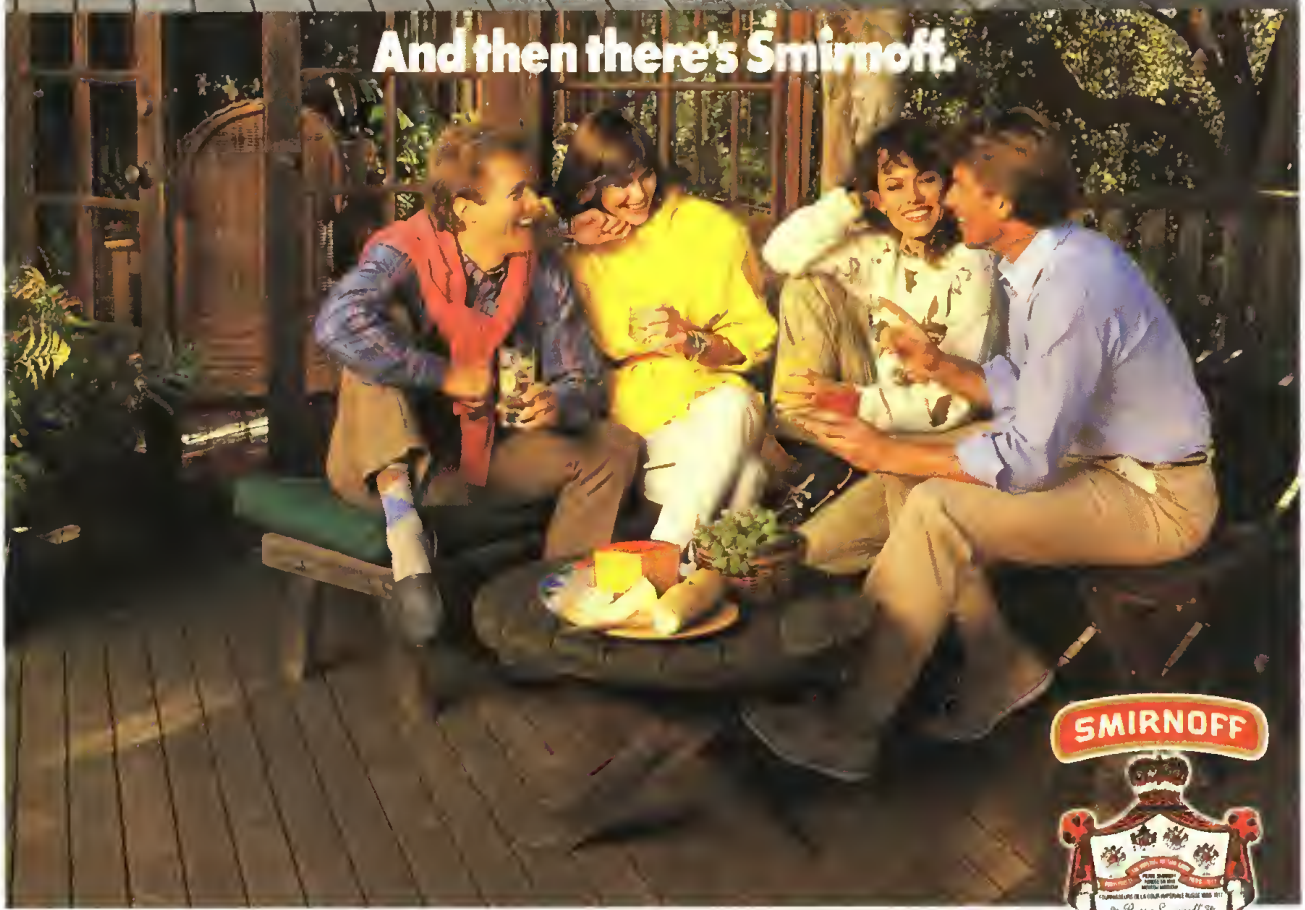
Allan Fotheringham is on vacation.

Gerald Caplan, a former federal secretary of the New Democratic Party and currently co-chairman of the Taskforce on Broadcasting, was an observer of the 1984 presidential elections in Nicaragua.





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